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SAN FRANCISCO PORT COMMISSION

REGULAR MEETING
4:00 P.M., TUESDAY, APRIL 13, 1999
FERRY BUILDING, SUITE 3100
SAN FRANCISCO, CA 94111

AGENDA

1. **ROLL CALL**

2. **PUBLIC COMMENT / NEW BUSINESS**

   Public comment is permitted on any matter within Port jurisdiction and is not limited to agenda items. Public comment on non-agenda items may be raised during New Business/Public Comment. Please fill out a speaker card and hand it to the Commission Secretary. If you have any question regarding the agenda, please contact the Commission Secretary at 274-0406.

3. **EXECUTIVE SESSION**

   A. Vote on whether to hold closed session to confer with Legal Counsel and Real Property Negotiator.

   B. CLOSED SESSION

      (1) Discussion of Executive Director's compensation for 1999/2000 fiscal year.

      (2) CONFERENCE WITH REAL PROPERTY NEGOTIATOR - This is specifically authorized under California Government Code Section 54956.8. ***This session is closed to any non-City/Port representative.****

         a. Property: Boondocks Restaurant at Pier 28
         Person Negotiating: Port of San Francisco: Mark Lozovoy, Property Manager
         *Boondocks: James Kennedy

         Under Negotiation: ___ Price ___ Terms of Payment ✓ Both
         An executive session has been calendared to discuss real estate negotiations between the Port and Boondocks regarding Port property located at Pier 28.

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b. Property: Pier 24-½ (Pier 24 Annex)
Person Negotiating: Port of San Francisco: Paul Osmundson, Director Planning and Development
*Metropolis Partners, Inc. & Polatnick Properties: David A. Agger & David Polatnick

Under Negotiation: ___ Price ___ Terms of Payment ✓ Both
An executive session has been calendared to discuss real estate negotiations between the Port and Metropolis Partners, Inc. & Polatnick Properties regarding Port property located at Pier 24-½ (Pier 24 Annex).

c. Property: Rincon Park Restaurant Site (southern end of the planned Rincon Park along the Embarcadero between Folsom and Harrison St.)
Person Negotiating: Port of San Francisco: Paul Osmundson, Director Planning and Development
*Nice Ventures, Inc.: Reed Hearon

Under Negotiation: ___ Price ___ Terms of Payment ✓ Both
An executive session has been calendared to discuss real estate negotiations between the Port and Nice Ventures, Inc. regarding Port property located at Rincon Park.

d. Property: Sinbad's Restaurant (Pier 2)
Person Negotiating: Port of San Francisco: Philip Smith, Director of Real Estate
*Sinbad's Restaurant: Thomas Stinson

Under Negotiation: ___ Price ___ Terms of Payment ✓ Both
An executive session has been calendared to discuss real estate negotiations between the Port and Sinbad's Restaurant regarding Port property located at Pier 2.

(3) CONFERENCE WITH LEGAL COUNSEL REGARDING ANTICIPATED AND EXISTING LITIGATION MATTERS:

a. Discuss existing litigation matters pursuant to subdivision (a) of the California Government Code Section 54956.9 (three cases).

- City & County of San Francisco v. Crushcon, Inc. San Francisco Superior Court, Case No. 300-383.
- Peer Inn, Federal Bankruptcy Court, Case No. 98-31586TC.
- Amwest Surety Insurance Company v. City and County of San Francisco, San Francisco Superior Court Case No. 999498

b. Discuss significant exposure to litigation pursuant to subdivision (b) of the California Government Code Section 54956.9 (two cases).

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4. RECONVENE IN OPEN SESSION

A. Possible report on actions taken in closed session pursuant to Government Code 54957.1(a)2 and San Francisco Administrative Code 67.14(b)(2).

B. Vote in open session on whether to disclose any or all executive session discussions pursuant to Government Code 54957.1(a)(2) and San Francisco Administrative Code 67.14(b)(2).

5. ADJOURNMENT

DISABILITY ACCESS

The Port Commission office is located on the third floor of the Ferry Building, Suite 3100. The Port office is wheelchair accessible. Accessible seating for persons with disabilities (including those using wheelchairs) will be available. The closest accessible BART and MUNI Metro station is Embarcadero located at Market and Spear Streets. Accessible MUNI lines serving the Ferry Building are the 9, 31, 32 and 71. For more information about MUNI accessible services, call 923-6142. *Due to the Mid-Embarcadero Roadway construction, there is no accessible parking at the Ferry Building and at the public lot in the Embarcadero median in front of the Ferry Building. Parking is available at Rincon (Spear between Mission & Howard), One Market Plaza (Spear between Market & Mission), Embarcadero Center 4 (Clay between Davis & Drumm) and 50 California Garage (Sacramento between Davis & Drumm).* Assistive listening devices are available for use in the Port Commission Meeting. The following services are available on request 72 hours prior to the meeting: (1) American Sign Language Interpreters; (2) A Sound Enhancement System; (3) The use of a reader during the meeting and (4) copies of the agenda or minutes of the meeting in alternative formats. Please contact Kevin Jensen, the Port's ADA Coordinator at (415) 274-0555. Late requests will be honored if possible. Please contact the Commission Secretary at (415) 274-0406 should you require large print of the agenda.

In order to assist the City's efforts to accommodate persons with severe allergies, environmental illnesses, multiple chemical sensitivity or related disabilities, attendees at public meetings are reminded that other attendees may be sensitive to various chemical-based products. Please help the City accommodate these individuals.

Know Your Rights Under the Sunshine Ordinance

Government's duty is to serve the public, reaching its decisions in full view of the public. Commissions, boards, councils and other agencies of the City and County exist to conduct the people's business. This ordinance assures that deliberations are conducted before the people and that City operations are open to the people's review. For more information on your rights under the Sunshine Ordinance (Chapter 67 of the San Francisco Administrative Code) or to report a violation of the ordinance, contact the Sunshine Ordinance Task Force at 554-4851.

San Francisco Lobbyist Ordinance

Attention: Individuals and entities that influence or attempt to influence local legislative or administrative action may be required by the San Francisco Lobbyist Ordinance (SF Admin. Code 16.520 - 16.534) to register and report lobbying activity. For more information about the Lobbyist Ordinance, please contact the Ethics Commission at 1390 Market Street, #701, San Francisco, CA 94102, phone (415) 554-9510 or fax (415) 703-0121 and web site http://www.ci.sf.ca.us/ethics/.

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SAN FRANCISCO PORT COMMISSION

SPECIAL MEETING – PLEASE NOTE THE DATE/TIME OF THE MEETING
→→→5:00 P.M., TUESDAY, APRIL 13, 1999←←←
FERRY BUILDING, SUITE 3100
SAN FRANCISCO, CA 94111

AGENDA

1. **ROLL CALL**

2. **APPROVAL OF MINUTES** - March 23, 1999 Special Meeting
   - March 23, 1999 Regular Meeting

3. **EXECUTIVE**

   A. Executive Director's Report

4. **CONSENT CALENDAR**

5. **MARITIME**

6. **REAL ESTATE**

7. **FACILITIES & OPERATIONS**

   A. Authorization to adopt the name *Heron's Head Park* for the wetlands and public access enhancements at Pier 98 . (Resolution No. 99-27)

   B. Authorization to modify contract amount for design of the wetlands and public access enhancements at Pier 98. (Resolution No. 99-28)

8. **PLANNING & DEVELOPMENT**

   A. Approval of an Exclusive Right to Negotiate with Metropolis Partners, Inc. and Polatnick Properties for the development and use of Pier 24 Annex for retail, restaurants and other purposes. (Resolution No. 99-24)

   B. Informational Briefing on Status of Port Planning and Development Projects.

   C. Informational Presentation on the creation of an Advisory Group for the Pier 30-32 Cruise Ship Terminal Project, and on the schedule for the Issuance of a Request for Qualifications for Developers.

9. FINANCE & ADMINISTRATION

A. Approval of Executive Director compensation for the 1999/2000 fiscal year. (Resolution No. 99-26)

10. NEW BUSINESS / PUBLIC COMMENT

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11. ADJOURNMENT

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PORT OF SAN FRANCISCO

Ferry Building
San Francisco, CA 94111
Telephone 415 274 0400
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MEMORANDUM

April 7, 1999

TO: MEMBERS, PORT COMMISSION
Hon. Denise McCarthy, President
Hon. Kimberly Brandon, Vice-President
Hon. Michael Hardeman
Hon. Brian McWilliams
Hon. Pius Lee

FROM: Douglas F. Wong
Executive Director

SUBJECT: Authorization to adopt the name *Heron's Head Park* for the wetlands and public access enhancements at Pier 98 .

DIRECTOR'S RECOMMENDATION: THAT THE COMMISSION ADOPT THE NAME *HERON'S HEAD PARK* FOR THE WETLANDS AND PUBLIC ACCESS PROJECT AT PIER 98.

This spring, Port staff expects to complete the newly-created salt marsh and public access improvements at Pier 98 and open the site to the public. The name Pier 98 does not reflect the site's true nature as a valuable educational, recreational, and environmental resource. During the past year, as community and school groups have visited the site, participants have been invited to suggest a name for the site. From many suggestions, five possible names were presented to the Southern Waterfront Advisory Committee to recommend the adoption of an official name. Observing that from an aerial view, the Pier 98 peninsula is shaped like a bird's head, members of the committee chose the name *Heron's Head Park.* With the Commission's direction from its meeting of March 23rd, staff requests that the Commission formally adopt this new name, *Heron's Head Park*, for the Pier 98 Wetlands and Public Access Improvements .

Prepared by: Carol Bach, Project Manager
Environmental Health and Safety Section

This Print Covers Calendar Item No. 7A

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PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. **99-27**

WHEREAS, the Pier 98 project, known as the Pier 98 Wetlands and Public Access Improvements, is nearing completion for public use; and

WHEREAS, after considering a number of proposed names for the project, members of the community around Pier 98 have suggested re-naming the site *Heron's Head Park*; and

WHEREAS, the Port Commission and public have had an opportunity to consider the proposed name, and find it appropriate for the unique wildlife habitat and public open space which the Port has created at Pier 98; now therefore be it

RESOLVED, that the San Francisco Port Commission hereby adopts the name *Heron's Head Park* for the site known to date as Pier 98.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of April 13, 1999.

_____
Secretary

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PORT OF SAN FRANCISCO

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MEMORANDUM

April 7, 1999

TO: MEMBERS, PORT COMMISSION
Hon. Denise McCarthy, President
Hon. Kimberly Brandon, Vice-President
Hon. Michael Hardeman
Hon. Brian McWilliams
Hon. Pius Lee

FROM: Douglas F. Wong
Executive Director

SUBJECT: Authorization to modify contract amount for design of the wetlands and public access enhancements at Pier 98.

DIRECTOR'S RECOMMENDATION: THAT THE COMMISSION AUTHORIZE AN INCREASE TO THE EXISTING CONTRACT FOR DESIGN OF WETLANDS AND PUBLIC ACCESS ENHANCEMENTS AT PIER 98.

In December 1994, the Port Commission authorized award of a contract to consultants Levine-Fricke-Recon (formerly Levine-Fricke)/AGS, Inc., a joint association, for environmental and engineering design of the wetlands and public access enhancements at Pier 98 for $176,000 (Resolution 94-147). At the time the contract was executed, it appeared likely that additional environmental assessment and design work would be required. Consequently, although the original contract amount was $176,600, $235,000 was originally allocated for overall project design.

The contract was modified in July 1998 (Resolution 98-65) to increase the amount of the contract by $47,700, increasing the total contract price to $224,300, to accommodate changes in the scope of the design work, and add engineering support during construction. All of the design work and engineering support during construction has been completed. The only outstanding task to be completed by AGS, the MBE partner, is preparation of a certified closure report for the landfill cover, which the Regional Water Quality Control Board required only after project commencement. The cost for this report is $3,900.

Staff therefore seeks the Commission's approval to increase the contract price by $3,900, increasing the total contract price from $224,300 to $228,200. The additional funds are available from the original budget of $235,000 for the Pier 98 project design services .

Prepared by: Carol Bach, Project Manager
Environmental Health and Safety Section

This Print Covers Calendar Item No. 7B

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PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 99-28

WHEREAS, the Port Commission through Resolution 94-147 previously awarded a contract to Levine-Fricke-Recon/AGS for environmental and engineering design of the wetlands and public access improvements at Pier 98; and

WHEREAS, it has become necessary to amend the scope of services and contract amount to include preparation of a certified closure report required by the Regional Water Quality Control Board, and the cost for preparation as such report is estimated to not exceed $3,900; now therefore be it

RESOLVED, that the San Francisco Port Commission hereby authorizes staff to enter into a contract modification with Levine-Fricke-Recon/AGS (Professional Services Contract No. 3940015) for additional services in the sum of $3,900, not to exceed a total contract amount of $228,200.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of April 13, 1999.

_____
Secretary

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PORT OF SAN FRANCISCO

MEMORANDUM

April 8, 1999

Ferry Building
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TO: MEMBERS, PORT COMMISSION
Hon. Denise McCarthy, President
Hon. Kimberly Brandon, Vice President
Hon. Michael Hardeman
Hon. Brian McWilliams
Hon. Pius Lee

FROM: Douglas F. Wong
Executive Director

SUBJECT: Authorization to Enter into Exclusive Negotiations for Mixed Use Development at Pier 24½

DIRECTOR'S RECOMMENDATION: APPR0VE EXCLUSIVE RIGHT TO NEGOTIATE WITH METROPOLIS PARTNERS, INC/POLATNICK PROPERTIES

BACKGROUND

In October 1998, the Port issued a Request for Proposals ("RFP") for the development and operation of a mixed-use development (the "Development") at Pier 24 Annex (the "Site"). In this RFP, the Port solicited proposals from qualified respondents ("Respondents") that would be consistent with the Port's *Waterfront Land Use Plan* which lists the following uses or a combination thereof as acceptable for the Site: Assembly and entertainment, museum, retail (including restaurant), water taxi and public access and open space.

The Site is located adjacent to and just north of Pier 26 and contains approximately 26,000 square feet of enclosed space. The Site fronts on The Embarcadero and has sweeping views of the Bay, the Bay Bridge, the Ferry Building, Treasure Island, the East Bay and The Embarcadero.

The Port stated in the RFP that it would select a qualified Respondent that has the demonstrated ability to finance, design, construct, maintain and operate a mixed-use development as described in the RFP, with the goal of negotiating a ground lease and related documents for the development and lease of the Site.

STAFF ANALYSIS OF RESPONSES

One proposal was submitted, from a team consisting of Metropolis Partners, Inc. and Polatnick Properties. Staff analyzed the Respondent's proposal against the criteria in the RFP and has concluded that the proposal is responsive and satisfies the submittal requirements. The proposal and references indicate that the San Francisco based development managers and consultant team have the collective experience necessary to deliver a development project that meets the Port's Project Objectives. The development concept is generally consistent with the Waterfront Land Use Plan, although greater specificity regarding the tenants and uses will be required in order to negotiate appropriate lease terms. The conceptual design proposes restoration and adaptive re-use of the existing building structure and improved public access to the Bay shoreline. The proposal offers an opportunity for the Port to achieve its objectives for this site, pending negotiation of mutually satisfactory business terms with the Respondent.

The Respondent's objective is to rehabilitate the Pier 24 Annex building and convert the interior into a retail and restaurant project while incorporating public access to the shoreline as shown in Exhibit A. The Respondent is in discussions with various prospective restaurants, clubs, entertainment centers, museums and retailers. The Port will reserve the right to review and approve the prospective tenancies through the Exclusive Right to Negotiate (discussed below).

Project team consultants include: The Jefferson Company (strategic planning, regulatory approvals, diversity program, construction management); Kwan Hemni (architecture/planning); Moffat & Nichol (engineering); and Bovis (construction).

The rent proposal includes a base rent starting at $80,000 per year beginning with the first year of post-construction stabilization; a participation rent defined as a percentage of gross sales above a specified threshold; an annual rent credit equal to 50% of the base rent continuing until the cost of the base building infrastructure improvements have been amortized (estimated $1.3 million); and a 65 year lease term. The Port is not in agreement with the proposed lease term and the specifics of the proposed base rent, percentage rent and rent credits must be further negotiated. Port staff anticipates reaching a mutually satisfactory resolution of these issues during the exclusive negotiation period.

A two-year period for design and entitlements, leasing, and construction is proposed.

EXCLUSIVE NEGOTIATIONS

As provided in the RFP, the Port Commission may authorize staff to enter into exclusive negotiations with a single Respondent. The Exclusive Right to Negotiate, a similar form of which was included in the RFP, is attached hereto as Exhibit B. Upon Port Commission authorization of exclusive negotiations, the Respondent's $25,000 Earnest Money Deposit will be retained as a non-refundable fee for a four-month period of exclusive negotiations during which:

- A lease agreement and related documents for the lease and development of the Site in a final form approved by the San Francisco City Attorney will be negotiated incorporating specific terms including, but not limited to, the Port's and lessee's responsibilities, the economic parameters, development standards and requirements, and a performance schedule;

- The selected Respondent will complete its "due diligence" review of the Site, finalize financial projections, and complete preliminary development plans including, but not limited to seismic repair plans, floor plans, elevations, and renderings for the Site;

- The selected Respondent, with the Port's assistance, will complete the project approval processes and any required supplemental environmental review.

The period of exclusive negotiations may be extended for 4 one-month terms, through December 14, 1999. The fee for extending the period for exclusive negotiations will be Five Thousand Dollars ($5,000.00) per month payable in advance. However, if the reason for the extension is that environmental review is not complete, then additional payment is waived.

STAFF RECOMMENDATION

Staff recommends that the Port Commission authorize Staff to enter into exclusive negotiations with Metropolis/Polatnick for the development of the Pier 24 Annex building.

Prepared by Paul Osmundson
Director of Planning and Development

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 99-24

WHEREAS, Charter, Section B3.581grants the Port Commission the power and duty to use, conduct, operate, maintain, manage, regulate and control the Port area of San Francisco; and

WHEREAS, under Charter Section B3.581(g) leases granted or made by the Port Commission shall be administered exclusively by the operating forces of the Port Commission; and

WHEREAS, the Port owns certain properties known as "Pier 24 ½ or Pier 24 Annex"; and

WHEREAS, in October 1998, the Port issued a Request for Proposals for Pier 24 Annex; and

WHEREAS, a development team consisting of Metropolis Partners, Inc. and Polatnick Properties submitted a response to the RFP on February 1, 1999 which complied with the submittal requirements stated in the RFP and which has been reviewed and evaluated by Port Staff; and

WHEREAS, based on this review, Port Staff has recommended that the Port Commission enter into exclusive negotiations with Metropolis Partners, Inc. and Polatnick Properties; and

WHEREAS, The Port Commission has reviewed the Port staff recommendation set forth in the Memorandum to Port Commissioners dated April 8, 1999, for Agenda Item 8A, and has determined that Metropolis Partners, Inc. and Polatnick Properties meet the qualification requirements for development of Pier 24 Annex; now therefore, be it

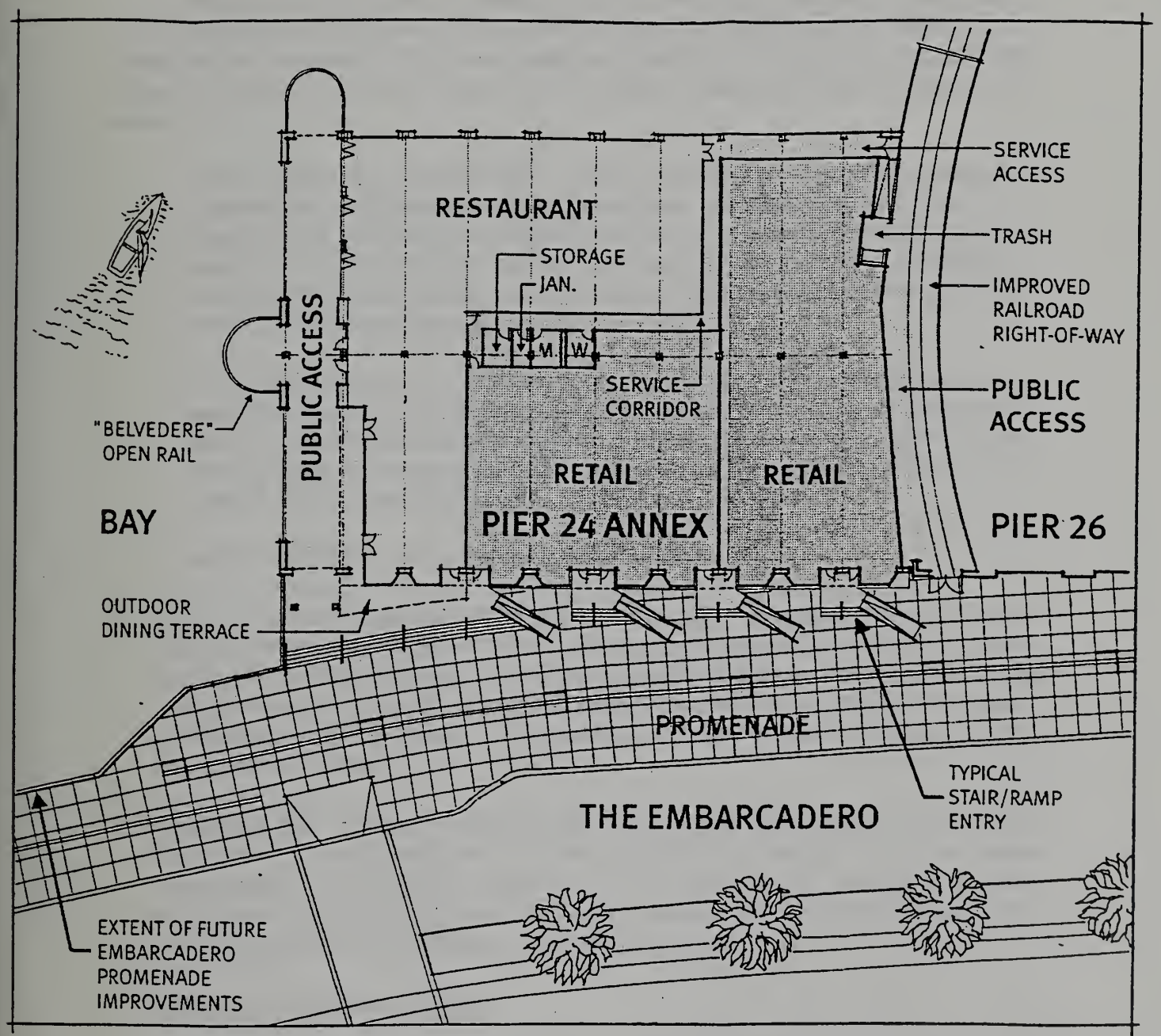
RESOLVED, that the Port Commission hereby authorizes the Executive Director of the Port, or his designee, to execute an Exclusive Right to Negotiate agreement substantially in the form attached as Exhibit B and incorporating the parameters set forth in Exhibit 1 to the Exclusive Right to Negotiate outlined in the Memorandum of Agenda Item 8A for the April 13, 1999 Port Commission meeting, a copy of which is on file with the Port Commission Secretary, with the understanding that the final terms and conditions of the Lease and related documents negotiated between Metropolis Partners, Inc. and Polatnick Properties and Port staff during the Exclusive Negotiation Period will be subject to the approval of the Port Commission; and be it further

RESOLVED, that the Port will not enter into a final lease for the project which would allow for its development until there has been complete compliance with the California Environmental Quality Act (CEQA).

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of April 13, 1999.

_____
Secretary

EXHIBIT A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BAY
PIER 24 ANNEX
PIER 26
OUTDOOR DINING TERRACE
PROMENADE
TYPICAL STAIR/RAMP ENTRY
THE EMBARCADERO
EXTENT OF FUTURE EMBARCADERO PROMENADE IMPROVEMENTS

EXHIBIT B

EXCLUSIVE RIGHT TO NEGOTIATE

THIS EXCLUSIVE RIGHT TO NEGOTIATE ("Exclusive Right") is entered into as of this 13 day of April, 1999, by and between the City and County of San Francisco ("City"), acting by and through its Port Commission ("Port"), and Metropolis Partners, Inc., a California Corporation, and Polatnick Properties ("Developer") upon the following facts, intentions and understandings of the parties:

A. By a Request for Proposals ("RFP"), dated October 1998, the Port solicited submittals of proposals from qualified parties for the development and operation of a mixed-use development at the Pier 24 Annex Building (the "Site"), located in the City and County of San Francisco. Submittals were received by February 1, 1999 and the Port Commission awarded the opportunity to enter into exclusive negotiations with the Port at its meeting of April 13, 1999, by Resolution 99 – 24.

B. The parties now desire to enter into this Exclusive Right to Negotiate to set forth the terms and conditions upon which Port and Developer will enter into lease negotiations and seek to complete a written lease disposition and development agreement, lease document, and such other documents as are necessary to effect the lease of the Site (collectively, "Lease") for Port Commission approval.

NOW, THEREFORE, the parties hereto agree as follows:

1. **Term**. The term of this Exclusive Right will be for four months, and will commence on April 14, 1999 and will expire on August 14, 1999, unless extended in accordance with Section 3 below. The term of this Exclusive Right, including any extensions, is hereinafter referred to as the "Exclusive Negotiation Period". During the Exclusive Negotiation Period, the Port will not solicit or consider any other proposals or negotiate with any other developer with respect to the development of the Site.

2. **Negotiating Fee**. Developer shall pay to Port a lump sum by cash payment in the amount of Twenty Five Thousand and No/100 Dollars ($25,000.00), receipt of which Port hereby acknowledges. The $25,000.00 payment is in consideration for the right to negotiate exclusively with the Port for the Site during the Exclusive Negotiation Period, and is non-refundable whether or not the parties enter into a final Lease.

3. **Extension of Negotiating Period**.

a. Option Period. Developer shall have four one-month options (each an "Option Period") to extend the Exclusive Negotiation Period, commencing on August 15, 1999. Developer shall exercise each option to extend by written notice of the exercise of such option delivered with a cash, check or money order payment of Five Thousand Dollars ($5,000.00) per Option Period (each an "Option Payment") to Port at the address for notice set forth in Paragraph 10 below, prior to the commencement of the next Option Period. If the parties have been unable to execute a Lease prior to the expiration of the original term of this Exclusive Right (or the preceding Option

Period, if applicable) due solely to the failure of the San Francisco Department of City Planning Office of Environmental Review ("OER") to complete its environmental evaluation in time for execution of a Lease, Port shall waive its rights to the applicable Option Payment. This waiver shall not apply if Developer creates a delay, including, without limitation, its failure to comply with requests for information or other OER requirements. The Port Director may, in his sole discretion, authorize additional Option Periods beyond December, 1999 on the same terms as the preceding Option Periods if necessary to allow for completion of environmental review in compliance with California Environmental Quality Act (CEQA) or due to other circumstances beyond the Developer's control.

b. Option Payment Non-Refundable. Each Option Payment shall be non-refundable; provided, however, that the Port shall credit any Option Payment against rent due by Developer if the Developer delivers an Option Payment for a subsequent Option Period and the Port Commission approves a Lease for the Site with Developer before the commencement of that subsequent Option Period. Developer's failure to exercise any Option Period in accordance with this paragraph 3 shall extinguish all future Option Periods and shall terminate this Exclusive Right as of the last date of the Exclusive Negotiation Period or the applicable Option Period.

4. **Negotiation of Lease**.

a. Negotiation of Lease. During the Exclusive Negotiation Period, Port and Developer shall diligently meet, negotiate in good faith, and seek to complete a Lease for the Site in a form approved by the San Francisco City Attorney, incorporating specific terms including without limitation the Port's and Developer's responsibilities, the economic parameters, development standards and requirements, and a performance schedule. The Lease will be subject to Port Commission approval. The parties are entering into this Exclusive Right to Negotiate based upon certain underlying principles and understandings developed through the RFP process, as set forth in Exhibit 1 attached hereto. The parties shall negotiate the Lease in substantial conformity with the basic principles and terms set forth in Exhibit 1, provided, however, such terms are subject to change by mutual agreement of the parties. The parties acknowledge that the terms of Exhibit 1 merely purport to set forth general principles upon which the parties have agreed; any binding Lease shall be subject to review and approval by the parties, their respective legal counsel, and the San Francisco Port Commission.

b. Final Action Subject to Environmental Review. The Port will not enter into any final Lease for the project which will allow for its development until there has been complete compliance with the CEQA. The Port intends, through exclusive negotiations, to identify the actions and activities that would be necessary to develop the Site and thereby facilitate meaningful environmental review. If the project is found to cause significant adverse impacts that have not been mitigated, the Port retains absolute discretion to: (1) modify the project to mitigate significant adverse environmental impacts, (2) select feasible alternatives which avoid significant adverse impacts of the proposed project, (3) reject the project as proposed if the economic and social benefits of the project do not outweigh otherwise unavoidable significant adverse impacts of the project, or (4) approve the proposed project upon a finding that the economic and social benefits of the project outweigh otherwise unavoidable significant adverse impacts of the project.

5. **Regulatory Approvals, Submittals, and Disclosures.**

a. Regulatory Approvals. The parties acknowledge that certain regulatory approvals are required for the development of the Project, including, but not limited to, all necessary approvals from the Bay Conservation and Development Commission ("BCDC"), environmental review by the City Planning Department's Office of Environmental Review ("OER"), pursuant to CEQA, and design review by the Port, Planning Department and BCDC (collectively, "Regulatory Approvals"). As described in paragraph 4 above, environmental review by OER shall be completed prior to the approval of any Lease by the Port. The effectiveness of any such Lease shall be conditioned upon Developer obtaining all other Regulatory Approvals subsequent to the Port Commission's approval of any such Lease.

b. Developer's Obligations. Except as provided in subsection 5.c below, Developer agrees:

(1) It shall diligently and in good faith pursue all Regulatory Approvals;

(2) It shall be solely responsible for applying for and obtaining all Regulatory Approvals, and Developer shall not seek any Regulatory Approval without first obtaining the approval of Port;

(3) It shall bear all costs associated with complying with any necessary Regulatory Approval;

(4) It will pay and discharge any fines or penalties imposed as a result of the failure of Developer to comply with the terms and conditions of any Regulatory Approval, and Port shall have no liability, monetary or otherwise, for said fines and penalties.

(5) To the fullest extent permitted by law, Developer agrees to indemnify and hold City, Port and their officers, agents and employees harmless from and against any loss, expense, cost, damage, attorneys' fees, penalties, claims or liabilities which City or Port may incur as a result of Developer's failure to obtain or comply with the terms and conditions of any Regulatory Approval.

(6) It will undertake and complete its "due diligence" review of the Site, prepare financial projections, and complete preliminary development plans for the Site, including, but not limited to floor plans, elevations, and renderings.

(7) It will pursue and obtain letters of intent, or other assurances, reasonably evidencing Developer's ability to attract maritime-related subtenants necessary to meet the Port's requirements set forth in the RFP.

(8) It will submit to Port, OER, BCDC and any other regulatory agency having approval over the project, all specifications, descriptive information, studies, reports, disclosures and any other information required to satisfy the application filing requirements of those agencies.

c. Port's Rights and Obligations. Port agrees that it will cooperate with Developer in filing for, processing and obtaining all Regulatory Approvals, and to the extent required by any regulatory agency issuing a Regulatory Approval, it will join with Developer as co-applicant in filing, processing and obtaining all Regulatory Approvals necessary for the development of the Site. Nothing contained herein shall be deemed to limit or otherwise constrain Port's discretion, powers and duties as a regulatory agency of the City with certain police powers. Developer specifically acknowledges that Port reserves the discretion to approve, condition or reject proposed uses and/or design concepts during the negotiation process.

6. **Non-Assignment.** The parties acknowledge that Port is entering into this Exclusive Right on the basis of the special skills, capabilities and experience of Developer. This Exclusive Right is personal to Developer and is non-assignable without the prior written consent of Port, which may be withheld in Port's sole discretion. Any attempted assignment of this Exclusive Right, or the dissolution, merger, consolidation or other reorganization of Developer or any cumulative or aggregate sale, transfer, assignment or hypothecation of more than 50% of the total capital stock of Developer shall, at the Port's option, be considered an event of default under this Exclusive Right and, upon Port's notice to Developer, shall immediately and without opportunity to cure give rise to Port's remedies provided in Section 7 hereof.

7. **Default**.

a. Event of Default. The occurrence of any of the following shall constitute a default by Developer after notice of the default and the expiration of the applicable cure period, if any:

(1) Failure to pay any sums due hereunder when due.

(2) Failure to perform or abide by any other provision of this Exclusive Right if such failure is not cured within twenty (20) days after notice has been given to Developer. If the default cannot reasonably be cured within 20 days, Developer shall not be in default of this Exclusive Right if Developer commences to cure the default within the 20-day period and diligently and in good faith continues to cure the default.

(3) Either (i) the filing by Developer of a petition to have Developer adjudicated insolvent and unable to pay its debts as they mature or a petition for reorganization or arrangement under any bankruptcy or insolvency law, or a general assignment by Developer for the benefit of creditors; or (ii) the filing by or against Developer of any action seeking reorganization, arrangement, liquidation, or other relief under any law relating to bankruptcy, insolvency, or reorganization or seeking appointment of a trustee, receiver, or liquidator of Developer or of any substantial part of Developer's assets.

b. Port's Remedies. In the event of default, Port, at its option, may terminate this Exclusive Right upon written notice to Developer, sent in accordance with Section 9 below. This remedy is not exclusive, but shall be cumulative with any remedies now or later allowed by law.

8. **Attorneys Fees.** In the event of any action or proceedings at law or in equity between the Port and Developer to enforce any provision of this offer to protect or establish any right or remedy of either party to this agreement, the unsuccessful party to such litigation shall pay to the prevailing

party all costs and expenses as determined by the court, including reasonable attorney's fees, incurred therein by such prevailing party; and if such prevailing party shall recover judgment in any such action or proceeding, such costs, expenses and attorney's fees shall be included in and as a part of such judgment. For purposes of this Exclusive Right, reasonable fees of attorneys of the Office of City Attorney shall be based on the fees regularly charged by private attorneys with an equivalent number of years of professional experience (calculated by reference to earliest year of admission to the Bar of any State) who practice in the City in law firms with approximately the same number of attorneys as employed by the Office of City Attorney.

9. **Notices**. Any notice given under this Exclusive Right shall be in writing and given by delivering the notice in person, by commercial courier or by sending it by registered or certified mail, or Express Mail, return receipt requested, with postage prepaid, to the mailing address listed below or any other address notice of which is given. For the convenience of the parties, copies of notices may also be given by telefacsimile, to the telephone number listed below or such other numbers as may be provided from time to time.

Port: Director, Planning and Development
Port of San Francisco
Room 3100, Ferry Building
San Francisco, CA 94111
Telefacsimile: (415) 274-0412
Telephone: (415) 274-0546

Developer : Metropolis Partners, Inc.
580 California Street, Suite 225
San Francisco, CA 94104
Attention: David Agger
Telephone: (415) 591-0800; and,

Polatnick Properties
699 Eighth Street
San Francisco, CA 94103
Attention: David Polatnick
Telephone: (415) 487-4040

Any mailing address or telefacsimile number may be changed at any time by giving written notice of such change in the manner provided above at least ten (10) days prior to the effective date of the change. All notices under this Exclusive Right shall be deemed given, received, made or communicated on the date personal receipt actually occurs or, if mailed, on the delivery date or attempted delivery date shown on the return receipt. A person may not give official or binding notice by telefacsimile. The effective time of a notice shall not be affected by the receipt, original, of a telefacsimile copy of the notice.

10. **City Requirements**

Developer acknowledges that it is aware that the City, through its Charter, ordinances and regulations has adopted, and may in the future enact, requirements establishing terms and conditions applicable to an Exclusive Right to Negotiate and/or a Development Agreement or

Lease, and that Developer is solely responsible for informing itself as to the scope and applicability of any City Requirements. City requirements currently in effect and applicable to this Exclusive Right to Negotiate include, but are not limited to, the following:

a. MacBride Principles-Northern Ireland. City urges companies doing business in Northern Ireland to move towards resolving employment inequities and encourages such companies to abide by the MacBride Principles. City urges San Francisco companies to do business with corporations that abide by the MacBride Principles.

b. Tropical Hardwood/Virgin Redwood Ban. City urges Developer not to import, purchase, obtain, or use for any purpose, any tropical hardwood or tropical hardwood wood product, or any virgin redwood or virgin redwood wood product.

c. Burma (Myanmar) Business Prohibition. Developer is not the government of Burma (Myanmar), a person or business entity organized under the laws of Burma (Myanmar) or a prohibited person or entity as defined in Section 12J.2(G) of the San Francisco Administrative Code. The Port reserves the right to terminate this Exclusive Right for default if the Developer violates the terms of this section.

11. **Miscellaneous Provisions.**

a. California Law. This Exclusive Right shall be construed and interpreted in accordance with the Laws of the State of California and City's Charter.

b. Entire Agreement. This Exclusive Right contains all of the representations and the entire agreement between the parties with respect to the subject matter of this agreement. Any prior correspondence, memoranda, agreements, warranties, or written or oral representations relating to such subject matter are superseded in total by this Exclusive Right. No prior drafts of this Exclusive Right or changes from those drafts to the executed version of this Exclusive Right shall be introduced as evidence in any litigation or other dispute resolution proceeding by any party or other person, and no court or other body should consider those drafts in interpreting this Exclusive Right.

c. Amendments. No amendment of this Exclusive Right or any part thereof shall be valid unless it is in writing and signed by all of the parties hereto.

d. Severability. Except as is otherwise specifically provided for in this Exclusive Right, invalidation of any provision of this Exclusive Right, or of its application to any person, by judgment or court order, shall not affect any other provision of this Exclusive Right or its application to any other person or circumstance, and the remaining portions of this Exclusive Right shall continue in full force and effect, unless enforcement of this Exclusive Right as invalidated would be unreasonable or grossly inequitable under all of the circumstances or would frustrate the purposes of this Exclusive Right.

e. No Party Drafter; Captions. The provisions of this Exclusive Right shall be construed as a whole according to their common meaning and not strictly for or against any party in order to

achieve the objectives and purposes of the parties. Any caption preceding the text of any section, paragraph or subsection or in the table of contents is included only for convenience of reference and shall be disregarded in the construction and interpretation of this Exclusive Right.

f. Singular, Plural, Gender. Whenever required by the context, the singular shall include the plural and vice versa, and the masculine gender shall include the feminine or neuter genders, and vice versa.

g. Authority. If Developer signs as a corporation or a partnership, each of the persons executing this Exclusive Right on behalf of Developer does hereby covenant and warrant that Developer is a duly authorized and existing entity, that Developer has and is qualified to do business in California, that Developer has full right and authority to enter into this Exclusive Right, and that each and all of the persons signing on behalf of Developer are authorized to do so. Upon Port's request, Developer shall provide Port with evidence reasonably satisfactory to Port confirming the foregoing representations and warranties.

h. Waiver. No failure by Port to insist upon the strict performance of any obligation of Developer under this Exclusive Right or to exercise any right, power or remedy arising out of a breach thereof, irrespective of the length of time for which such failure continues, and no acceptance of full or partial Rent during the continuance of any such breach shall constitute a waiver of such breach or of Port's rights to demand strict compliance with such term, covenant or condition. Port's consent to or approval of any act by Developer requiring Port's consent or approval shall not be deemed to waive or render unnecessary Port's consent to or approval of any subsequent act by Developer. Any waiver by Port of any default must be in writing and shall not be a waiver of any other default concerning the same or any other provision of this Exclusive Right.

i. Time is of the Essence. Time is of the essence of each provision of this Exclusive Right.

WHEREFORE, this Exclusive Right to Negotiate was executed by the parties hereto on the date set forth below.

"Port"	**"Developer"**
CITY AND COUNTY OF SAN FRANCISCO, Acting by and through its Port Commission	**Metropolis Partners, Inc.**
_____	_____
By: Director of Planning and Development	By
Dated:_____	Dated:_____
Approved as to Form: LOUISE H. RENNE City Attorney	**Polatnick Properties**
By:_____ Deputy City Attorney	_____ By
	Dated:_____

Exhibit 1: Principals and Terms for Negotiations

Landlord	Port of San Francisco
Tenant	Pier 24 Annex LLC
Party to the Exclusive Right to Negotiate	Metropolis Partners Inc. and Polatnick Properties
Lease Term	To be negotiated
Options	To be negotiated

Rent

Annual Minimum	To be negotiated, but in no event less than $80,000 for five years, then $150,000 per year thereafter
Monthly Minimum Rent During Construction	$5,000
Percentage	To be negotiated
Escalations	To be negotiated
Rent Credits	Not to exceed $1.3 Million; structure of rent credits to be negotiated
Premises	26,400 square foot site
Estimated Construction Cost	$5.5 million
Minimum Equity Contribution	$2.5 million
Loan	$3.0 million
Shareholders	Bernard Osher
Use	The uses and subtenants for the project must be consistent with the Port of San Francisco's *Waterfront Land Use Plan* and will be subject to review and approval by the Port.

PORT OF SAN FRANCISCO

Ferry Building
San Francisco, CA 94111
Telephone 415 274 0400
Fax 415 274 0528
www.sfport.com

MEMORANDUM

April 7, 1999

TO: MEMBERS, PORT COMMISSION
Hon. Denise McCarthy, President
Hon. Kimberly Brandon, Vice President
Hon. Michael Hardeman
Hon. Brian McWilliams
Hon. Pius Lee

FROM: Douglas F. Wong
Executive Director

SUBJECT: Informational Briefing on Status of Port Planning & Development Projects

DIRECTOR'S RECOMMENDATION: NO ACTION REQUIRED.

BACKGROUND

On June 24, 1997, the Port Commission adopted the Port of San Francisco Waterfront Land Use Plan ("Waterfront Plan"), thereby lifting the seven-year moratorium on non-maritime development on Port piers and properties within 100 feet of the shore, and providing a blueprint for the future use of Port property. This accomplishment, along with the current real estate market and other factors, has spurred considerable interest by private developers, public agencies and citizens in revitalization of Port property. The Port's Planning & Development Division has been working on many projects to implement the Waterfront Plan. The purpose of this report is to provide you with an update of these projects.

THIS PRINT COVERS CALENDAR ITEM NO. 8B

MAJOR PLANNING PROJECTS

BCDC Negotiations

The Port Planning Staff has been working closely with staff of the Bay Conservation and Development Commission ("BCDC") and Save San Francisco Bay Association to jointly develop changes to BCDC policies and procedures to 1) implement the Waterfront Plan; and 2) to more effectively meet BCDC's mandate to improve public access to the waterfront and the Bay environment.

The objectives of these efforts are to comprehensively identify locations for creating new open space and public access areas and fill removal, to be implemented as new waterfront development projects occur. The negotiations also address amendment of BCDC policies and permitting procedures to improve the BCDC permit and design review process, while adding clarity and certainty to the land use approvals process for Port properties. The negotiations are intended to result in amendments to BCDC plans.

The Port is providing $118,000 to fund the completion of the effort. BCDC has proposed a schedule for completing the plan, which would result in BCDC and Port Commission public hearings and approvals in November, 1999.

Historic Preservation Planning

The Waterfront Plan includes historic preservation policies. Pursuant to these policies, certain historic resources, such as the Ferry Building and Agriculture Building, will be preserved and rehabilitated consistent with the Secretary of Interior standards for preservation. Other resources, such as pier bulkhead buildings, will be retained, and still others require further preservation review and analysis before determining which additional resources should be retained and to what extent they can be rehabilitated.

The Port is conducting further research and analysis of its historic resources north of China Basin Channel. This effort will continue throughout 1999 and may require consultant assistance. The completion of this work will be coordinated with completion of the BCDC negotiations and amendments, and timely processing of Port commercial development and maritime projects and building permits.

Some of these projects, such as Pier 1 and the Ferry Building, involve historic preservation and adaptive reuse. On January 5, 1999 the Secretary of the Interior placed Pier 1 on the National Register of Historic Places. This and other preservation efforts will be pursued by the Port as part of the approval process for individual projects, and may occur in advance of completing historic preservation policies for other waterfront areas.

Southern Waterfront Planning

The Port has received several lease proposals for Pier 80, and Piers 90 through 96 in the Southern Waterfront. Many are for maritime industrial or other industrial activities south of Islais Creek. A number of these proposed uses (e.g. concrete-batching plants, crushing and recycling, storage of aggregate for concrete operations) have raised environmental and public health concerns with the Bayview and Hunter's Point neighborhoods. To address these and other issues, the Port has established a Southern Waterfront Advisory Committee (SWAC) to solicit input regarding lease proposals for Port property, including environmental mitigation and monitoring requirements. The SWAC meets approximately once a month.

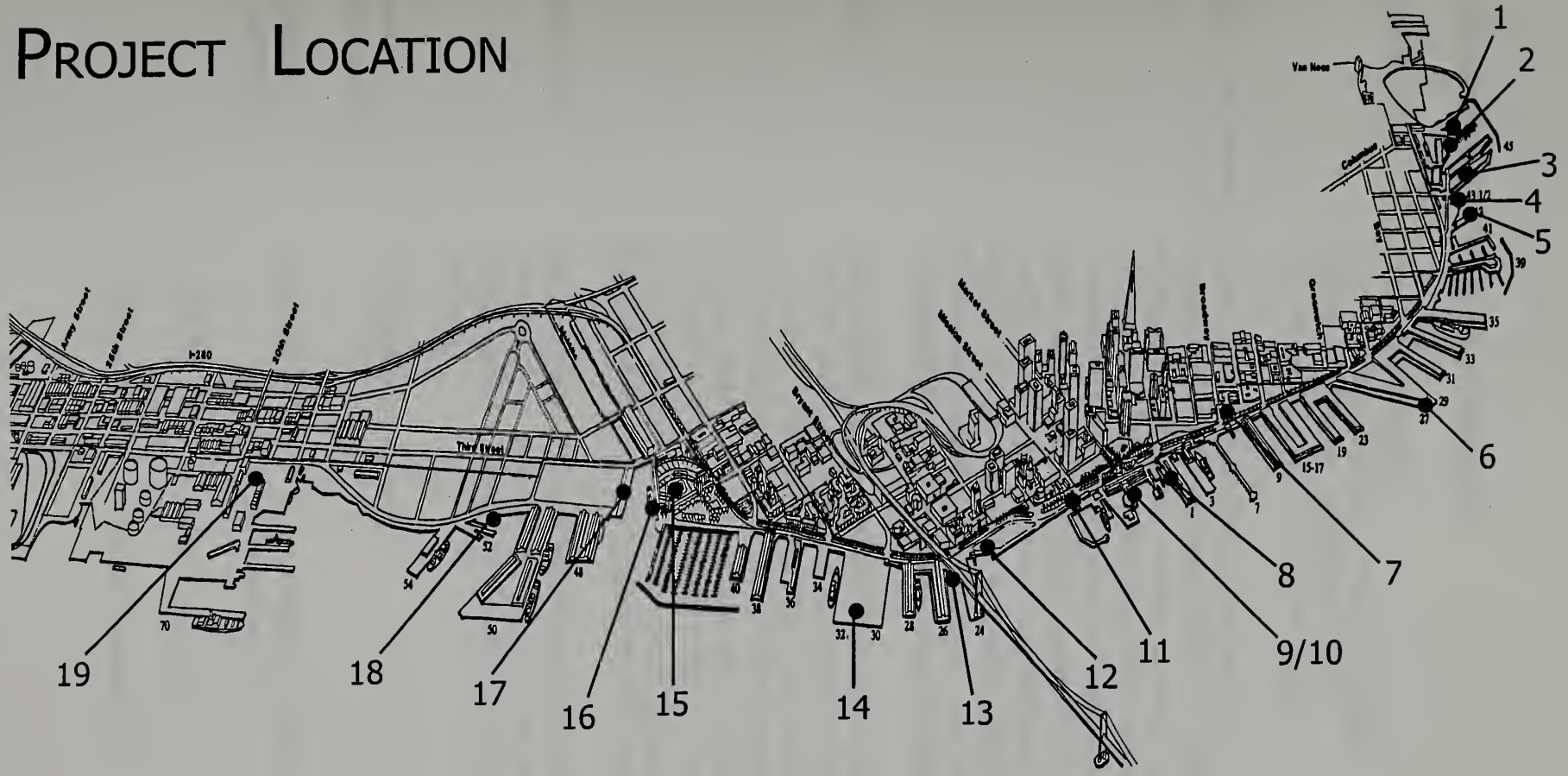
In addition to evaluating current lease proposals, the Port has begun to develop a comprehensive leasing and development program to implement the Waterfront Plan for the Southern Waterfront. This is especially important for those areas that currently are undeveloped, which will require infrastructure and other capital improvements. The Port anticipates that this work will require some consultant assistance, coordination with other City agencies (e.g. the Planning Department and Redevelopment Agency), and ongoing discussions with the SWAC and the broader community. A cumulative analysis of all past, present and reasonably foreseeable activities will be prepared for this program, which would then allow the Port to consider individual lease proposals.

MAJOR COMMERCIAL DEVELOPMENT, MARITIME, AND OPEN SPACE PROJECTS

Attached are Project Summary Sheets for each of the major commercial development, maritime and open space projects currently underway by Planning & Development Division staff. This information is meant to provide you with a brief status report on the Division's activities. The Project Location map on page 4 numerically indicates the specific location of each project referenced in this summary.

Prepared by: Paul Osmundson, Director of Planning & Development

PROJECT LOCATION



1. Hyde Street Fishing Harbor
2. Pier 47A
3. Pier 45, Shed A
4. Pier 43 1/2 Public Access Area
5. Pier 43 Ferry Terminal
6. Piers 27/29
7. Broadway Hotel Project
8. Pier 1 Martime Office Building
9. Ferry Building Rehabilitation Project
10. Downtown Ferry Terminal Project
11. Mid-Embarcadero Roadway
12. Rincon Park Restaurant
13. Pier 24 Annex Mixed Use Project
14. Bryant Street Pier Opportunity Area: (Pier 30-32/SWL 330)
15. Pacific Bell Ballpark
16. Ballpark Ferry Landing
17. China Basin Channel Shoreline Stabilization
18. Pier 52 Public Boat Launch
19. Pier 70 Opportunity Area

1. HYDE STREET FISHING HARBOR

PROJECT STAFF

Dan Hodapp, Planner
Diane Oshima, Manager, Waterfront Planning
Carleen Ho, Engineering Project Manager
John Davey, Maritime Operations Manager

PROJECT DESCRIPTION

A new 62-berth harbor located immediately east of Hyde Street to serve the commercial fishing fleet in Fisherman's Wharf. The Harbor will add to the existing 116 berths currently located in the inner and outer lagoons at Fisherman's Wharf. The project incorporates an extensive list of features to improve water quality in the area, including a floating debris barrier, holding tank and bilge pumpout facilities, parking lot drainage into the City sewer system, and recycling facilities. Total project cost is $4.55 million. The Port received a $3.5 million loan from the California Department of Boating and Waterways. The remainder of the cost will be a combination of Port capital and State grant funds.

STATUS

The Planning Commission certified an EIR for the project in December 1996 and found no significant environmental impacts to be caused by the new Harbor. The Port has contracted with Concept Marine Associates to prepare detailed design and construction drawings which are now 90 percent complete. During the past year, Port staff has worked with the Fisherman's Wharf Environmental Quality Advisory Committee to refine the project design and determine the most appropriate water quality improvements that could be included in the project.

APPROVALS

The Port obtained project approval from BCDC on December 3, and a waiver of water quality certification from the Regional Water Quality Control Board in November. Construction bid documents are now being finalized.

PRIMARY CONSULTANTS

Concept Marine Associates

SCHEDULE MILESTONES

December 1998	Port Commission approved advertising for construction bid
July 1999	Begin construction
December 1999	Complete construction

2. PIER 47A

PROJECT STAFF	Dan Hodapp, Planner Diane Oshima, Manager, Waterfront Planning Victor Yew, Project Engineer
PROJECT DESCRIPTION	Remove and reconstruct the existing pier. The Port received a grant from the Federal Highway Administration to reconstruct Pier 47A as a public pedestrian and transient berthing pier. The pier will include an ADA accessible float with berthing space for fishing boats. There will also be viewing areas, lighting, and space for interpretive signage. The pier offers excellent views of fishing boats unloading onto the west side of Pier 45.
STATUS	The Port completed construction documents and advertised for construction bids in April, 1998. All bids were rejected because they exceeded the project budget. Port crews demolished the unsafe portions of the existing pier in August.
APPROVALS	The Port has secured approval from BCDC for the proposed work.
PRIMARY CONSULTANTS	None

SCHEDULE MILESTONES

May 1999	Advertise for construction bids
August 1999	Begin construction
March 2000	Complete construction

3. PIER 45, SHED A

PROJECT STAFF

Kirk Bennett, Manager, Waterfront Development Projects
Braj Norris, Special Assistant
Elliott Riley, Assistant Property Manager

PROJECT DESCRIPTION

The Port Commission by Resolution No. 97-83, adopted guidelines for long term use of Pier 45 Sheds A & C, based upon recommendations from the Pier 45 Advisory Group. Included in the guidelines is that Shed A is "to be reserved primarily for public attraction uses that are compatible with the fishing industry and with the Fisherman's Wharf area and include a significant maritime component."

STATUS

Pursuant to Port Commission Resolution 97-83, the Pier 45 Advisory Group was reconvened in November 1998 to review and provide recommendations regarding the development concept for a public attraction use in Shed A to be incorporated into a RFP for the development of Shed A. In March 1999, the Pier 45 Advisory Group was expanded to include representatives from SPUR, San Francisco Tomorrow and Telegraph Hill Dwellers.

PROJECT APPROVALS

The project will require permits and approvals from the Port Commission and BCDC.

SCHEDULE MILESTONES

June 1999	Complete Advisory Group process.
June 1999	Recommend development concept to Port Commission and request authorization to issue RFP.

4. PIER 43 ½ PUBLIC ACCESS AREA

PROJECT STAFF	Dan Hodapp, Planner Diane Oshima, Manager, Waterfront Planning Carleen Ho, Engineering Project Manager
PROJECT DESCRIPTION	Reconstruct the approximately 40 by 60 foot public access area at the northwest end of Pier 43 ½ as required by BCDC. The project will include a raised platform to accommodate wheelchair viewing, and a historic pier bell and replica of a bell reflector. There will also be interpretive signage explaining the history and use of the pier bell. The total project cost is $470,000 which will be funded by a combination of Port Operating and Capital funds.
STATUS	Port Facilities and Operations Division began construction in May 1998 and has completed the pier deck. Construction of the surface improvements and bell structure began in August and will be completed in April 1999.
APPROVALS	BCDC approved the permit for this project in February 1998.
PRIMARY CONSULTANTS	None
SCHEDULE MILESTONES	April 1999 Complete construction

5. PIER 43 PUBLIC FERRY TERMINAL

PROJECT STAFF

Dan Hodapp, Planner
Diane Oshima, Manager, Waterfront Planning
Denise Turner, Wharfinger

PROJECT DESCRIPTION

A public ferry terminal will be constructed at Pier 43 to provide a publicly accessible ferry landing in Fisherman's Wharf. The project will include a floating berth, pilings, gangway system, and ramps to connect to Pier 43.

STATUS

The City of Vallejo secured $1.6 million in Federal Ferry Boat Funds and $400,000 in California Transportation Commission funds for the project. The project received federal and state environmental clearance, as well as right of way clearance, in August 1997. The Port and the City of Vallejo have negotiated a cooperative agreement through which the City of Vallejo will fund the project, and manage the design and construction of the terminal.

APPROVALS

The Port Commission approved the cooperative agreement with Vallejo, and must approve a landing rights agreement for the facility. Approval must also be received from BCDC, Army Corps of Engineers and Regional Water Quality Control Board.

PRIMARY CONSULTANT

To be selected.

SCHEDULE MILESTONES

June 1998	Cooperative Agreement Finalized
November 1998	Vallejo issued RFP for design consultant
September 1999	Design to be completed
December 1999	BCDC and other permits received
March 2000	Begin construction

6. PIERS 27 - 29

PROJECT STAFF

Kirk Bennett, Manager, Waterfront Development Projects
Braj Norris, Special Assistant

PROJECT DESCRIPTION

The Waterfront Land Use Plan designates Piers 27-29 as a Transitional Maritime Area in recognition of the trend toward consolidating industrial maritime operations in the southern waterfront. The former cargo terminal activities at these piers have been consolidated at Pier 80, and the sites are now being used primarily for interim non-trust uses. The Waterfront Plan states that when these facilities are no longer required exclusively for maritime operations, reuse of the facilities should include a mix of maritime and commercial activities consistent with the goals for the Northeast Waterfront. These piers provide key opportunities for publicly oriented activities because of their large surface area, and could be the location for a family oriented recreational or entertainment facility that would particularly appeal to residents of the City and the Bay area.

STATUS

The Port Commission on March 23, 1999 determined that: (1) the shed buildings at Pier 27 and 29 are surplus to the maritime industrial use needs of the Port; (2) the berth at Pier 27 is not surplus to the maritime needs of the Port; (3) that future redevelopment of Pier 27 may be compatible with berthing at Pier 27, excepting certain industrial lay berthing; (4) the Port shall establish a Maritime Advisory Panel to work with the Port to develop a maritime industrial plan for the Port; and (5) Port staff should consider other trust uses for Piers 27/29 consistent with the Waterfront Land Use Plan.

Piers 27/29 was identified in the Waterfront Plan as a possible location for a new passenger cruise terminal. However, the Port Commission determined at its October 27, 1998, meeting that Pier 30/32 was the preferred site for a new passenger cruise terminal.

PROJECT APPROVALS

The project will require the following reviews/approvals: Port Commission award of exclusive negotiation, CEQA, Waterfront Design Advisory Committee, BCDC, Army Corps of Engineers, RWQCB and other approvals.

SCHEDULE MILESTONES

April 1999	Create Northeast Waterfront Advisory Committee to advise Port staff on Northeast Waterfront Special Planning Study and on development concept for RFP

June 1999	Northeast Waterfront Advisory Committee completes review of Pier 27/29
July 1999	Port Commission authorizes issuance of RFQ/P
August 1999	RFQ/P issued

7. BROADWAY HOTEL PROJECT

PROJECT STAFF

Jennifer Sobol, Development Project Coordinator
Kirk Bennett, Manager, Waterfront Development Projects
Leo Bragagnolo, Engineering Project Manager

PROJECT DESCRIPTION

This opportunity is for the development and operation of a first-class full-service hotel at Broadway and The Embarcadero, including Seawall Lots 323, 324, and 322-1, as well as a parcel currently owned by the City. Together, these seawall lots represent one of the few areas north of China Basin Channel where hotels are identified as an Acceptable Use in the Waterfront Land Use Plan.

STATUS

Pursuant to authorization by the Port Commission at its October 27, 1998 meeting, a Request for Qualifications/Proposals was issued on November 18, 1998. This followed site evaluation and financial analysis of the proposed hotel development, and review and recommendations by an advisory group regarding the development concept. Three responses to the RFQ were submitted.

APPROVALS

The project will require CEQA review, a conditional use authorization and possibly a Certificate of Appropriateness from the Planning Department. It will be subject to design review by the Design Advisory Committee. Approvals also will be required from the Port Commission and the Board of Supervisors.

SCHEDULE MILESTONES

November 18, 1998	Request for Qualifications/Proposals issued
January 25, 1999	Qualifications Submitted by three teams
March 9, 1999	Two respondents invited to submit proposals
May 18, 1999	Proposals Due
June, 1999	Recommend selection for Exclusive Right to Negotiate

8. PIER 1 MARITIME OFFICE BUILDING

PROJECT STAFF

Jennifer Sobol, Development Project Coordinator
Kirk Bennett, Manager, Waterfront Development Projects
Leo Bragagnolo, Engineering Project Manager

PROJECT DESCRIPTION

Pier 1 will be converted from an interim parking garage to a maritime complex, including relocation of the Port's administration offices from the Ferry Building, and ancillary restaurant use and offices for the developer, AMB Property Corporation ("AMB"). New and increased public access will extend around the Pier perimeter, and the shed's historic features will be preserved.

STATUS

The Port Commission on May 26, 1998, authorized staff to enter into an Exclusive Right to Negotiate with AMB. On March 9, 1999, the Port Commission approved the Development Agreement with AMB for the development of Pier 1 as a maritime office project, and approved the schematic design of the project. Approval of the Development Agreement included approval of the Lease with AMB as tenant, the Port Sublease with the Port as sub-tenant, and a Program in Diversity.

PROJECT APPROVALS

The following has been accomplished to date: The State Lands Commission determined that the project is in compliance with State Trust purposes; Pier 1 has been placed on the National Register of Historic Places; CEQA review was completed and a Final Negative Declaration adopted; the Waterfront Design Advisory Committee reviewed and gave favorable support to the Schematic Design; the San Francisco Planning Department granted a parking exemption; the BCDC Engineering Criteria Review Board and Design Review Board have approved the project.

PRIMARY CONSULTANT

SMWM (architects), Architectural Resources Group (historic architects), and Rutherford & Chekene (structural engineers) Public Affairs Management (environmental review).

SCHEDULE MILESTONES

May 1999	Obtain BCDC permit
July 1999	Convey lease and commence construction
December 2000	Complete construction

9. FERRY BUILDING REHABILITATION PROJECT

PROJECT STAFF

Alec Bash, Special Assistant
Mary Hanni, Project Manager

PROJECT DESCRIPTION

The Port is seeking redevelopment of this City Landmark building with ground floor retail, transportation and public uses and complementary upper floor office and other commercial uses. The project has received initial funding from the Federal Highway Administration and the Federal Transit Administration, and will require major private capital to accomplish the renovation of this landmark building. The Port's goals are for a signature project which achieves a high level of public use and support, strengthens the Port's long-term financial position, and enhances the Port's ability to undertake other projects.

STATUS

A developer Request for Qualifications and Proposals was issued in May, 1998. The Commission in November awarded William Wilson Investors the opportunity to enter into an Exclusive Right to Negotiate Agreement for the rehabilitation and Master lease of the Ferry Building. Environmental review for the conceptual development program is complete. Historic preservation review is pending resolution of the design concept.

APPROVALS

The project will require a BCDC permit, and a reduction in code required parking must be approved by the San Francisco Planning Department. Design review is required under the Waterfront Design Review Process.

PRIMARY CONSULTANTS

William Wilson Investors has hired SMWM (architects) Page & Turnbull (preservation architects), Baldauf Cotton Von Eckartsberg (retail architects), The Jefferson Company (development manager), Rutherford & Chekene (structural engineers) and others to design the project, and Plant Construction to build it.

SCHEDULE MILESTONES

August 1999	Approve Development Agreement and Master Lease
January 2001	Convey lease and commence construction
June 2002	Complete construction

10. DOWNTOWN FERRY TERMINAL PROJECT

PROJECT STAFF

Alec Bash, Special Assistant
Nita Mizushima, Project Manager (Engineering)

PROJECT DESCRIPTION

This project includes new ferry landings at the Ferry Building and associated breakwater, land-side, and public access improvements to enhance the area as a point of embarkation for commuter, excursion and recreational vessels. During the first phase of the project, the existing North Terminal will be relocated and a new South terminal south of the Ferry Plaza will be constructed to efficiently handle the existing and projected increase in ferry passengers. Longer term, additional berths south of the Ferry Plaza could accommodate a possible airport hovercraft or new ferry services to Treasure Island and other locations. Pedestrian access and circulation will be significantly improved by opening the entirety of the Bay side of the Ferry Building to pedestrian. Other passenger amenities and architectural features will also be provided to improve the Ferry Building's original function as a ferry terminal.

STATUS

The project has been funded primarily by the California Transportation Commission, the Federal Highway Administration and the Federal Transit Administration. The Project has been fully designed and engineered. Environmental and historic preservation clearances have been secured. BCDC, San Francisco Bay Regional Water Quality Board and U.S. Army Corps of Engineers approvals have been obtained.

APPROVALS

All approvals have been obtained.

PRIMARY CONSULTANTS

ROMA Design Group, Moffat and Nichol Engineers, San Francisco Port Management Consultants

SCHEDULE MILESTONES

May 1999	Solicit Bids For Construction
August 1999	Award Contract
September 1999	Begin Construction

11. MID-EMBARCADERO ROADWAY

PROJECT STAFF Dan Hodapp, Planner
Diane Oshima, Manager, Waterfront Planning
Victor Yew, Engineering Project Manager

PROJECT DESCRIPTION Embarcadero Roadway improvements, Ferry Building plaza, and Embarcadero Promenade between Broadway and Folsom Streets to match improved Roadway to the north and south of the project area.

STATUS The project was approved by the Port Commission, Planning Commission, and Board of Supervisors during 1996 and 1997. Construction began on July 13, 1998 and will take approximately two years to complete.

SCHEDULE MILESTONES

July 1998	Construction began
February 2000	Complete construction

12. RINCON PARK RESTAURANT

PROJECT STAFF

Cheryl Whitfield, Development Project Coordinator
Anne Cook, Manager, Waterfront Development Projects
Leo Bragagnolo, Engineering Project Manager
Mark Lozovoy, Real Estate

PROJECT DESCRIPTION

The 20,000 square foot site is located at the south end of the approximately 3-acre Rincon Park which will stretch along the Embarcadero between Howard and Harrison Streets. Through an agreement between the GAP (which is building a headquarters office building at Folsom and Steuart Streets) and the Redevelopment Agency, the Park will be designed, constructed and maintained. The restaurant site is within the Rincon Point/South Beach Redevelopment Plan project area, and was the subject of a 1995 Agreement to Lease between the Port and the Redevelopment Agency.

STATUS

The Port Commission authorized Staff to issue an RFP for the project on March 10, 1998 (Resolution No. 98-27) and the RFP was issued on July 23rd. Two proposals were received. In March 1999, the Port Commission approved an Exclusive Right to Negotiate with Nice Ventures Inc. for development of the restaurant. The draft Disposition and Development Agreement and the Lease are in review by staff with expected delivery to Nice Ventures Inc. in early April 1999. Restaurant construction will be coordinated with the construction of Rincon Park.

APPROVALS

In addition to various Port Commission approvals, the Port expects to invite and receive comments on the design of the project from the Redevelopment Agency, the Rincon-Park South Beach CAC and the Planning Department. The Project will require a permit from BCDC. Because the restaurant was studied in the EIR for the Rincon Point-South Beach Redevelopment Plan, no further environmental review is anticipated.

Primary CONSULTANTS

None

SCHEDULE MILESTONES

July 1998	Issued RFP
September 1998	Two proposals received
March 1999	Port Commission authorized exclusive negotiations with Nice Ventures Inc.
June 1999	Approve Development Agreement and Lease

13. PIER 24 ANNEX MIXED USE DEVELOPMENT PROJECT

PROJECT STAFF

Kari Kilstrom, Development Project Coordinator
Anne Cook, Manager, Waterfront Development Projects
Leo Bragagnolo, Engineering Project Manager
Mark Lozovoy, Real Estate

PROJECT DESCRIPTION

The Port has solicited proposals from qualified developer/operators to finance, design, construct, maintain and operate a mixed use development (the "Development") consistent with the Waterfront Plan. The Waterfront Plan lists the following uses, or a combination thereof, as acceptable for the site: Assembly and entertainment, museum, retail (including restaurant) water taxi, public access and open space.

The building is approximately 24,000 square feet. The site could be used for one or more distinct operations under a lease with a single developer.

STATUS

The Port is evaluating a proposal from Metropolis Partners/Polatnick Properties. The bid was submitted in February, in response to an RFP issued by the Port in October 1998.

PROJECT APPROVALS

The Development will require review by the Waterfront Design Advisory Committee, Environmental Review, BCDC Permit, and Port Commission and Board of Supervisors approval of the Lease.

PRIMARY CONSULTANTS

Structus Engineering performed a substructure inspection.

SCHEDULE MILESTONES

April 1999	Port Commission considers Exclusive Negotiations with Development Team
September 1999	Approve Lease

14. BRYANT STREET PIER OPPORTUNITY AREA (PIER 30-32/SWL 330)

PROJECT STAFF

Anne Cook, Manager, Waterfront Development Projects
Leo Bragagnolo, Engineering Project Manager

PROJECT DESCRIPTION

The Bryant Street Pier Mixed Use Opportunity Area is one of the Port's most attractive development sites and has been the subject of considerable developer interest over the past year. The approximately 12 acre pier and three acre seawall lot together constitute the Port's largest development site. The Waterfront Plan identified this site as an ideal location for public entertainment and attractions with a highly visible maritime component. Support services such as parking and neighborhood-serving businesses also should be included in the project. Due to the large size of Pier 30-32, the Plan calls for significant maritime and public access uses, together with a mix of commercial activities, all centered around a common theme, rather than a singular commercial attraction.

STATUS

The Waterfront Plan designated Pier 30-32 (as well as Piers 27-29 & Pier 35) as a possible location for a new passenger cruise terminal. In October, 1998, after extensive analysis of the cruise industry's needs and a public hearing, the Port Commission directed staff to prepare a developer request for proposals for a mixed use development of Pier 30-32 and Seawall Lot 330 that includes the new "James R. Herman Cruise Ship Terminal." The process for the development includes forming an advisory group made up of industry experts and community members, working with the Rincon Point/South Beach Citizen's Advisory Committee, hiring consultants with expertise in cruise terminal development, and issuing an RFQ and RFP.

APPROVALS

This project will require permits and approvals from the Port Commission, BCDC, the Planning Department, the Army Corps of Engineers, among other agencies.

PRIMARY CONSULTANTS

To be selected in May 1999

SCHEDULE

April 1999	Seek Community input, Form Advisory Group, Issue RFP for consultant services
June 1999	Issue Developer RFQ
August 1999	Developer Qualifications Due
September 1999	Select Qualified Developers, Issue RFP
November 1999	Development Proposals Due

15. PACIFIC BELL BALLPARK

PROJECT STAFF

Kari Kilstrom, Development Project Coordinator
Daniel Bell, Planner
Anne Cook, Manager, Waterfront Development Projects
Cliff Jarrard, Chief Harbor Engineer

PROJECT DESCRIPTION

In one year, the Giants' new 42,000 seat ballpark at China Basin will be complete. Construction of the ballpark structure and seating bowl is well underway. The Port will focus it's efforts to complete the design and construction drawing review of the Pavilion Building and to complete the pre-development work (i.e. design, engineering and regulatory permits) for the off-site projects related to the Ballpark. The following tasks highlight the remaining scope of the work:

- Approval of final design details for Pavilion Building, then accessibility review and building permit issuance
- Approve final design and obtain BCDC approval for a new waterfront park on the south shore of China Basin Channel, including an interim improvement plan to be constructed by April 2000
- Design, bid and construct improvements to stabilize the shoreline area on the south shore of China Basin Channel; a permit from the Army Corps of Engineers is also required.
- Stripe bicycle lanes on Terry Francois Boulevard including requisite resurfacing
- Approve the design, and bid and construct a Passenger Vessel Terminal at China Basin. Apply for and obtain permits from the Army Corps and BCDC.
- Review the drainage, site remediation and circulation of the parking lot at SWL 337; construction to be complete by April 2000.

STATUS

Port Commission approved a Ground Lease, Development Agreement and Conceptual Design in 1997. Pavilion Building Re-Design approved March 1999. China Basin Park, parking lot, and China Basin terminal design are underway.

APPROVALS

The Ballpark has received all necessary regulatory approvals. Some of the related tasks listed above will require amendments to those approvals or additional approvals from the Port Commission, BCDC, Army Corps or other City Departments.

PRIMARY CONSULTANTS

None

SCHEDULE MILESTONES

May 1999	Port commission approves Parking Lot Plans
June 1999	Port advertises to construct Passenger Terminal. BCDC approves Passenger Terminal permit. FTA authorizes grant funds for Ferry Terminal
July 1999	Port advertises to construct Shoreline Stabilization. Parking Lot Construction Begins
Sept. 1999	Construction begins on Passenger Terminal and Shoreline Stabilization
April 2000	Opening Day

16. BALLPARK FERRY LANDING – CHINA BASIN CHANNEL

PROJECT STAFF

Kari Kilstrom, Development Project Coordinator
Anne Cook, Manager, Waterfront Development Projects
Leo Bragagnolo, Engineering Project Manager
John Davey, Maritime Operations Manager

PROJECT DESCRIPTION

The Port and the San Francisco Giants are working together to provide ferry service to the Pacific Bell Ballpark when it opens in April 2000. To accomplish this goal, the Port issued an RFP for a ferry operator to finance, design, build and operate a ferry landing at China Basin Channel.

STATUS

The RFP was issued in June 1998 and the Port received one response, from the China Basin Ballpark Company ("CBBC"). Their proposal did not propose any private capital investment in the facility and relied upon the designated tax allocation bond proceeds ($500,000) alone to fund the facility. At the end of October, the Port was awarded $2.0 million in Section 1207 Ferry Boat Discretionary Funds for the project. This funding provides an opportunity to construct a permanent facility better designed to meet long-term needs. The Ferry Boat Discretionary funds must be expended prior to September 1999. To meet this schedule, CBBC has undertaken the design and environmental review of the Ferry Landing, drawing upon the $500,000 tax allocation bond proceeds from the Ballpark project. The Port will solicit bids for construction of the Ferry Landing utilizing the $2.0 million grant proceeds.

APPROVALS

The Project will require permits from BCDC, the U.S. Army Corps of Engineers, and the Regional Water Quality Control Board.

PRIMARY CONSULTANTS

CBBC has contracted with Moffat and Nichol Engineers to design the terminal.

SCHEDULE MILESTONES

April 1999	Port authorizes advertisement of Construction Bid
June 1999	Port Solicits Construction Bids, obtains environmental clearance and requisite permits
September 1999	Begin Construction

17. China Basin Channel Shoreline Stabilization

Project Staff Kari Kilstrom, Development Project Coordinator
Carleen Ho, Engineering Project Manager

Project Description Deterioration has occurred to the existing seawall on the south side of China Basin Channel causing the loss of fill material in certain locations underneath the surface of the planned China Basin Park site. The shoreline between Lefty O'Doul Bridge and the mouth of the Channel will be stabilized prior to the construction of China Basin Park improvements by the Giants (CBBC), defining a fixed edge of development and minimizing ongoing maintenance of the embankment.

Status Funds have been approved in the Port's Capital Plan. Design is underway with the assistance of Olivia Chen Engineers.

Project Approvals Environmental Review, BCDC Permit, Army Corps Permit.

Primary Consultants Olivia Chen Engineering

Schedule Milestones

April 1999	Conclude conceptual designs
May 1999	Port authorizes advertisement of Construction Bid
June 1999	Port solicits construction bids
September 1999	Begin construction

18. PIER 52 PUBLIC BOAT LAUNCH

PROJECT STAFF

Dan Bell, Planner
Diane Oshima, Manager, Waterfront Planning
Carleen Ho, Engineering Project Manager

PROJECT DESCRIPTION

In 1994 the Port Commission approved $1.4 million in capital funding for a major expansion and public access enhancements at the existing single-lane public boat launch near Pier 52, along Terry Francois Boulevard. The project includes a new double-lane public boat launch, shoreline improvements and public access, area for a future café/bait shop, and an off-site parking lot for auto-trailer spaces. The project also includes a gangway and float for disabled access.

STATUS

Port staff has secured a $295,000 grant from the California Department of Boating and Waterways (Cal Boating) for construction of the boat launch and public access improvements, and an additional $198,000 grant for a 40 space off-site auto-trailer parking lot.

The project description has changed in recent months because of increased construction estimates, in response to land transfers between the Port and Catellus Corporation (developers of Mission Bay), and the need to increase the number of off-site auto trailer-parking spaces.

Due to the results of the bid, the project will be revised to include parking lot only. Funding efforts for the double-lane boat launch will follow.

APPROVALS

The Bay Conservation and Development Commission (BCDC) approved the original design of the boat launch and parking lot in January 1997. BCDC approved an amended design in June 1998. Army Corp of Engineering permits has been secured for the project.

Primary CONSULTANTS

Arcus (Architecture)

SCHEDULE MILESTONES

November 1998	Construction plans released for bid to build double-lane boat launch and off-site parking lot.
December 1998	Lowest responsible bid was for $2.5 million
January 1999	Reject bids, reconsider project
April 1999	Approval to readvertise for parking lot only.

19. PIER 70 OPPORTUNITY AREA

PROJECT STAFF

Cheryl Whitfield, Development Project Coordinator
Anne Cook, Manager, Waterfront Development Projects
Leo Bragagnolo, Engineering Project Manager

PROJECT DESCRIPTION

The Waterfront Land Use Plan identifies an approximately 16 acre Mixed Use Opportunity Area in the vicinity of Pier 70, between 18th and 21st streets. Several historic Union Iron Works buildings are included within this opportunity area. The Waterfront Plan allows non-maritime land uses in this area which result in the preservation and adaptive reuse of the historic buildings, are consistent with the Design and Access Element of the Waterfront Plan, and which do not preclude nearby water-dependent uses or associated support services. Additional development of the Opportunity Area also is permitted provided that public access improvements are extended to the water's edge as indicated in the Waterfront Plan, and other Plan criteria are met.

STATUS

Developer interest in the Pier 70 area has increased over the past year, particularly in light of the planned Mission Bay and UCSF projects to the north. Because the Port would like to seize the opportunity to preserve the historic buildings in the Opportunity Area, staff has begun to determine the parameters of a development opportunity in this area.

APPROVALS

The project will require various approvals from the Port Commission, the Planning Commission, the Board of Supervisors and BCDC. Portions of the property also may need to be surplused from the Public Trust. Environmental investigations and review will be required

SCHEDULE MILESTONES

August 1999	Complete due diligence and project feasibility
November 1999	Issue Request for Proposals

PORT OF SAN FRANCISCO

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MEMORANDUM

April 7, 1999

TO: MEMBERS, PORT COMMISSION
Hon. Denise McCarthy, President
Hon. Kimberly Brandon, Vice President
Hon. Michael Hardeman
Hon. Brian McWilliams
Hon. Pius Lee

FROM: Douglas F. Wong
Executive Director

SUBJECT: Informational Report on Project Schedule and Formation of Advisory Group for the Bryant Street Pier Project (Including the James R. Herman Passenger Cruise Terminal at Pier 30-32)

This matter is before you as an informational item related to the above-referenced project. No action by the Commission is required.

Background - The Bryant Street Pier Project site is one of the Port's most attractive development sites and has been the subject of considerable developer interest over the past year. The approximately 12-acre pier and three acre seawall lot together constitute the Port's largest development site. The Port's Waterfront Land Use Plan identified this site as an ideal location for public entertainment and attractions with a highly visible maritime component. Support services such as parking and neighborhood-serving businesses also should be included in the project. Due to the large size of Pier 30-32, the Waterfront Plan calls for significant maritime and public access uses, together with a mix of commercial activities, all centered around a common theme.

The Waterfront Plan designated Pier 30-32 (as well as Piers 27-29 & Pier 35) as a possible location for a new passenger cruise terminal. In October 1998, after extensive analysis of the cruise industry's needs and public hearings, the Port Commission directed staff to prepare a developer request for proposals for mixed use development of Pier 30-32 and Seawall Lot 330 that includes the new "James R. Herman Passenger Cruise Ship Terminal."

The process for the development includes, among other steps, forming an advisory group made up of industry experts and community members, working with the Rincon Point/South Beach Citizen's Advisory Committee, hiring consultants with expertise in cruise terminal development, and issuing a Request for Qualifications and a Request for Proposals for development of the Project.

This Print Covers Calendar Item No. 8C

Schedule - Port Staff anticipates that the Bryant Street Pier Project will proceed according to the following schedule for 1999:

April	Form Advisory Group and Issue Request For Qualifications for Consultants
May	Seek Port Commission Approval to Issue Request for Qualifications (RFQ)
June	Issue Developer RFQ
August	Developer Qualifications Due
September	Select Qualified Developers, Issue Request for Proposals
November	Development Proposals Due

Formation of the Advisory Group - Port staff has selected a well-qualified group of citizens and organizations to participate in the Advisory Group for the Bryant Street Pier Project. As outlined in the Waterfront Land Use Plan, an Advisory Group's purpose is to provide professional expertise and community input in the early phases of conceptualization of Port development projects. Considerable work has already been done with regard to the selection of Pier 30-32 as the site for the City's new cruise terminal. This Advisory Group will be most helpful as we work to prepare and issue a developer Request for Qualifications and a Request for Proposals for the overall project development.

We have been fortunate to be able to include the following individuals (or organizations which will appoint individuals) with demonstrated expertise and experience in the San Francisco waterfront, retail, office and hotel development and operations, visitor-related services, transportation, cruise operations and the surrounding neighborhoods. The Advisory Group will begin meeting the first week in May. The Advisory Group meetings will be open to the public.

Bryant Street Pier Advisory Group

Theresa Rae – San Francisco Planning and Urban Research Association

Jane Morrison – San Francisco Tomorrow

Julia Viera – Waterfront Plan Advisory Board

Four representatives chosen by the Rincon Point - South Beach Citizens Advisory Committee

Representative from Delancey Street

John Love – International Hospitality & Tourism Consulting

Representative from the San Francisco Visitor and Convention Bureau

Andy Barnes - Barnes & Company (expert in large scale, mixed use development)

Kersten Magary - MUNI

Bobby Guillory – Representative from the International Longshore and Warehouse Union

Representative from Carnaval Cruise Lines

Representative from Princess Cruise Lines

Representative from Crystal Cruise Lines

Ground Agent for Cruise Lines

Al Pratt – San Francisco Operations Manager for Metropolitan Stevedore Company

Prepared by Anne Cook
Manager, Waterfront Development Projects

PORT OF SAN FRANCISCO

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MEMORANDUM

April 8, 1999

TO: MEMBERS, PORT COMMISSION
Hon. Denise McCarthy, President
Hon. Kimberly Brandon, Vice President
Hon. Michael Hardeman
Hon. Brian McWilliams
Hon. Pius Lee

FROM: Douglas F. Wong
Executive Director

SUBJECT: Approval of 1999-2000 Executive Director Salary

DIRECTOR'S RECOMMENDATION: APPROVE THE 1999-2000 COMPENSATION FOR THE EXECUTIVE DIRECTOR

Charter Section B3.581(h) grants the Port Commission the exclusive authority to set the compensation (salary and benefits) of the Port Executive Director.

In the past several years, annual changes to the compensation for the Port Executive Director were set the same as that of members of the Municipal Executives Association (MEA), as negotiated between the City and MEA.

The contract that was negotiated between the City and MEA in 1998 covered the period from July 1, 1998 through June 30, 2001. The contract provides for annual salary increases of 3% per year each year effective October 1, and for a contribution by the City to the Management Compensation Package of $225 per month or 75% of the dependent rate charged to employees for Kaiser coverage will increase by approximately $25.00 per month in Fiscal Year 1999-2000. This will increase by approximately $25.00 per month in Fiscal Year 1999-2000. This will increase the City's cost of benefits provided to MEA members by approximately $25.00.

The Port Executive Director's salary is currently $141,436 per year. Approval of a 3% salary increase for the Port Executive Director would advance his salary to $145,664 per year. For purposes of comparison, the average salary of the Port Directors for seven West Coast Ports is $180,846, approximately 27.5% higher than the proposed salary for the Port Executive Director.

Prepared by: Kathy Mallegni, Human Resources Manager

This Print Covers Calendar Item No. 9A

PORT COMMISSION
CITY & COUNTY OF SAN FRANCISCO

RESOLUTION NO. 99-26

WHEREAS, Section B3.581(h) of the Charter grants the Port Commission the exclusive authority to set the compensation (salary and benefits) of the Port Executive Director; and

WHEREAS, in the past several years, annual increases to the compensation for the Port Executive Director were set the same as those of members of the Municipal Executives Association (MEA), as negotiated between the City and the MEA; and

WHEREAS, the City and the MEA have agreed to increase the salary of MEA members by 3% effective October 1, 1999, with an increase in cost of benefits of approximately twenty-five dollars ($25.00) per month for the period from October 1, 1999 through June 30, 2000; now, therefore, be it

RESOLVED, that the compensation for the Port Executive Director for Fiscal Year 1999-2000 be increased at the same rate as that of MEA members; and, be it further

RESOLVED, that the salary for the Port Executive Director for Fiscal Year 1999-2000 be increased by 3% effective October 1, 1999, with an increase in cost of benefits equal to that provided to MEA members effective October 1, 1999.

I hereby certify that the foregoing resolution was adopted by the San Francisco Port Commission at its meeting of April 13, 1999.

_____
Secretary

SAN FRANCISCO
PORT COMMISSION

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MINUTES OF THE REGULAR MEETING
4:00 P.M. APRIL 13, 1999

1. ROLL CALL

Commission President Denise McCarthy called the meeting to order at 4:01 p.m. The following Commissioners were present: Denise McCarthy, Kimberly Brandon, Michael Hardeman, Brian McWilliams and Pius Lee.

2. PUBLIC COMMENT / NEW BUSINESS

Commissioner McCarthy welcomed former Port Commissioner Frank O'Neill to the meeting.

3. EXECUTIVE SESSION

A. Vote on whether to hold closed session to confer with Legal Counsel and Real Property Negotiator.

ACTION: Commissioner moved approval Hardeman; Commissioner Lee seconded the motion. All of the Commissioners were in favor.

At 4:02 p.m., the Commission Secretary announced that the Commission will withdraw to executive session to discuss the following:

B. CLOSED SESSION

(1) Discussion of Executive Director's compensation for 1999/2000 fiscal year.

(2) CONFERENCE WITH REAL PROPERTY NEGOTIATOR - This is specifically authorized under California Government Code Section 54956.8. ***This session is closed to any non-City/Port representative.****

a. Property: Boondocks Restaurant at Pier 28
Person Negotiating: Port of San Francisco: Mark Lozovoy, Property Manager
*Boondocks: James Kennedy

b. Property: Pier 24-½ (Pier 24 Annex)
Person Negotiating: Port of San Francisco: Paul Osmundson, Director Planning and Development

*Metropolis Partners, Inc. & Polatnick Properties: David A. Agger & David Polatnick

c. Property: Rincon Park Restaurant Site (southern end of the planned Rincon Park along the Embarcadero between Folsom and Harrison St.)
Person Negotiating: Port of San Francisco: Paul Osmundson, Director Planning and Development
*Nice Ventures, Inc.: Reed Hearon

d. Property: Sinbad's Restaurant (Pier 2)
Person Negotiating: Port of San Francisco: Philip Smith, Director of Real Estate
*Sinbad's Restaurant: Thomas Stinson

(3) CONFERENCE WITH LEGAL COUNSEL REGARDING ANTICIPATED AND EXISTING LITIGATION MATTERS:

a. Discuss existing litigation matters pursuant to subdivision (a) of the California Government Code Section 54956.9 (three cases).

- City & County of San Francisco v. Crushcon, Inc. San Francisco Superior Court, Case No. 300-383.
- Peer Inn, Federal Bankruptcy Court, Case No. 98-31586TC.
- Amwest Surety Insurance Company v. City and County of San Francisco, San Francisco Superior Court Case No. 999498

b. Discuss significant exposure to litigation pursuant to subdivision (b) of the California Government Code Section 54956.9 (two cases).

4. RECONVENE IN OPEN SESSION

At 5:45 p.m., Commissioners Denise McCarthy, Kimberly Brandon, Michael Hardeman, Brian McWilliams and Pius Lee returned from executive session and convened in public session.

ACTION: Commissioner Brandon moved approval to not disclose any information discussed in the executive session; Commissioner Hardeman seconded the motion. All of the Commissioners were in favor.

The meeting was adjourned at 5:45 p.m.

SAN FRANCISCO
PORT COMMISSION

MINUTES OF THE SPECIAL MEETING
5:00 P.M. APRIL 13, 1999

1. **ROLL CALL**

Commission President Denise McCarthy called the meeting to order at 5:46 p.m. The following Commissioners were in attendance: Denise McCarthy, Kimberly Brandon, Michael Hardeman, Brian McWilliams and Pius Lee.

2. **APPROVAL OF MINUTES** - March 23, 1999 Special Meeting
- March 23, 1999 Regular Meeting

ACTION: Commissioner Lee moved approval; Commissioner Brandon seconded the motion. All of the Commissioners were in favor; the minutes of the March 23, 1999 Special Meeting were adopted.

ACTION: Commissioner Brandon moved approval; Commissioner Lee seconded the motion. All of the Commissioners were in favor; the minutes of the March 23, 1999 Regular Meeting were adopted.

3. **EXECUTIVE**

A. Executive Director's Report

Mr. Paul Osmundson, Director of Planning & Development, mentioned that Executive Director Wong is in the Philippines.

Mr. Osmundson reported that the Port's insurance carrier has approved $250,000 for the repair of the Pier 43 archway. The total repair and construction cost is estimated at $2 million. The insurance carrier, engineer and construction manager reviewed the estimates and agreed with the approach and scope of the work. Staff will keep Commission informed of its progress.

Mr. Osmundson reported that in mid-March the Port submitted an application to the General Services Administration to obtain a surplus floating drydock that was most recently used at the San Diego Naval Base. This drydock had become available and would allow the Port to economically modernize our full-service ship repair facility at San Francisco Drydock. Acquisition of this drydock would result in a boost in productivity due to the fact that San Francisco Drydock currently is operating under its full market potential because its current smaller drydock #1 has severe structural limitations that restrict the size of ships that it can currently handle. Ship repair is

one of San Francisco's leading employers of skilled union blue-collar jobs. The condition of the Port's current small drydock, which the new drydock would replace, has significantly deteriorated and it is not cost efficient to repair.

Acquisition of the surplus drydock would be a boon to our ship-repair industry just now beginning to recover from the impacts of the closure of a number of Northern California Navy bases. Acquisition of the San Diego drydock by the Port will also benefit the National Park Service because San Francisco Drydock is the only yard in the Bay Area that can serve all the ships from its collection at the San Francisco Maritime National Historical Park. The Port's current drydock #1 may not now have the lifting capacity to work on historic vessels.

With the help of Congresswoman Nancy Pelosi's office and in the face of fierce competition from the State of Alaska, the General Services Administration, Region 9 has decided to allocate this drydock to the Port of San Francisco. The California State Agency for Surplus Property is currently preparing documents which will complete the donation and outline the terms and conditions of the drydock's transfer to the Port. Maritime Director Peter Dailey will, in the near future, be coming to the Port Commission to formally detail the arrangement to obtain the drydock and to ask for authorization to complete the transaction.

Port staff hopes to have the drydock up and in operation at San Francisco Drydock by June 1st. He thanked Congresswoman Pelosi for her help.

Commissioner McCarthy congratulated staff for a job well done and suggested that a thank you letter be sent to Congresswoman Pelosi for her efforts in having the drydock allocated to the Port. Commissioner Hardeman indicated that he will be in Washington next week and would be happy to hand deliver the letter to Congresswoman Pelosi.

Commissioner Lee suggested having the burnt arch painted first. Mr. Osmundson replied that Alex Lee will look into whether or not the immediate first repair would allow for painting and if not, staff will report back on what it would take to get it done.

4. CONSENT CALENDAR

5. MARITIME

6. REAL ESTATE

7. FACILITIES & OPERATIONS

A. Authorization to adopt the name *Heron's Head Park* for the wetlands and public access enhancements at Pier 98 . (Resolution No. 99-27)

Ms. Carol Bach, Project Manager, indicated that at the March 23rd meeting, she described the process by which they arrived at the proposed name, *Heron's Head Park*. She requested the Commission to formally adopt the new name, *Heron's Head Park*, for the Pier 98 Wetlands and Public Access Improvements.

ACTION: Commissioner Hardeman moved approval; Commissioner Lee seconded the motion. All of the Commissioners were in favor; Resolution No. 99-27 was adopted.

B. Authorization to modify contract amount for the design of the wetlands and public access enhancements at Pier 98. (Resolution No. 99-28)

Ms. Carol Bach, Project Manager, indicated that all of the design work and engineering support during construction has been completed. The only outstanding task to be completed by the contractor is the preparation of a certified closure report for the landfill cover, which the Regional Water Quality Control Board required only after project commencement. The cost of this report is $3,900, increasing the total contract price from $224,300 to $228,200. The additional funds are available from the original budget of $235,000 for the Pier 98 project design services. With the completion of the certification report, the RWQCB can formally rescind the waste discharge requirements for the regulatory order that apply to the non-inert fill area at Pier 98.

ACTION: Commissioner McWilliams moved approval; Commissioner Brandon seconded the motion. All of the Commissioners were in favor; Resolution No. 99-28 was adopted.

8. PLANNING & DEVELOPMENT

A. Approval of an Exclusive Right to Negotiate with Metropolis Partners, Inc. and Polatnick Properties for the development and use of Pier 24 Annex for retail, restaurants and other purposes. (Resolution No. 99-24)

Kari Kilstrom, Planning & Development, indicated that last October, the Port issued a Request for Proposals for the development and operation of a mixed-use development at Pier 24 Annex. One proposal was submitted from a team consisting of Metropolis Partners, Inc. and Polatnick Properties. The development concept is generally consistent with the Waterfront Land Use Plan and proposes restoration and adaptive re-use of the existing building structure and improved public access to the bay. The respondent's proposed use includes a mix use of retail and restaurant. The developer is in discussions with various prospective restaurants, clubs, entertainment centers, museums and retailers. Because the mix of tenants has not been identified, the Port reserves the discretion to approve condition or reject proposed uses through the exclusive right to negotiate.

The rent proposal includes a base rent, a participation rent and the annual rent credits to cover the cost of site infrastructure improvements (estimated at $1.3 million) and a 65-year lease term. The Port is not in agreement with the proposed lease term and the specifics of the proposed base rent, percentage rent and rent credits must be further negotiated. If, however, the Port and the developer reach mutually satisfactory business terms, the proposal offers an opportunity for the Port to achieve its objectives for the site. She recommended that the Commission authorize staff to enter into exclusive negotiations with Metropolis/Polatnick for the development of Pier 24.

ACTION: Commissioner Hardeman moved approval; Commissioner Lee seconded the motion. All of the Commissioners were in favor; Resolution No. 99-24 was adopted.

B. Informational Briefing on Status of Port Planning and Development Projects.

Mr. Paul Osmundson, Director of Planning & Development, highlighted some of the milestones achieved since the last report.

Pier 27-29: Staff will establish an advisory group and prepare an RFP for a reuse of the facility. Staff will request the Commission's approval for selection of a consultant to prepare the maritime industrial plan and will report on the appointment of the maritime advisory panel.

Broadway Hotel Project: In January, three qualification packages were submitted. Staff invited the following two respondents to submit proposals: (1) Stanford Hospitality Corporation and (2) Promus. Proposals are due on May 18.

Pier One/Maritime Office Building Project: Pier One was listed and registered in the National Historic Places. The Waterfront Design Advisory Committee gave favorable comments to the design. The Commission approved the development agreement and sublease for the project. The BCDC engineering criteria review board and design review board have approved the project. Staff will be seeking the Board of Supervisors Finance Committee's approval. On May 6, staff will seek BCDC Commission's approval for a project permit. The project is scheduled for conveyance of the lease and commencement of construction in July.

Ferry Building Renovation Project: The Port awarded exclusive right to negotiate with William Wilson & Associates. They have since merged with Cornerstone Properties and are now known as Wilson Cornerstone. Staff has had numerous meetings with the State Historic Preservation Office and with BCDC on the project. Staff will continue to negotiate the development agreement and lease.

Corinne Woods indicated that at the last meeting, Commissioner McCarthy requested that a resolution be put together for this meeting creating the northeast waterfront advisory committee. Since it was not on today's agenda, she hoped that it would be at the next meeting's agenda. It is a critical piece since they are

looking at the special area plan as a resolution of both special area plan and the draft concept agreement with BCDC, the Port and Save San Francisco Bay. Until all of those things are negotiated, none of the developments can move forward. She suggested that rather than waiting until fall for public hearing, as outlined in the staff report, it would make more sense to have an advisory group established now to work with the Port and BCDC as issues come up. The advisory group is important and it should be advisory to the Commission so that the Commission, subject to Brown Act, is well aware of all of the public issues that may come up in the resolution of special area plan and the draft concept agreement.

Commissioner McCarthy indicated that the advisory group is being put together. Mr. Osmundson reiterated that staff intends to put the committee together and will present it to the Commission at its next meeting.

Commissioner Hardeman thanked staff for the informational report.

C. Informational Presentation on the creation of an Advisory Group for the Pier 30-32 Cruise Ship Terminal Project, and on the schedule for the Issuance of a Request for Qualifications for Developers.

Ms. Anne Cook, Manager Waterfront Development Projects, indicated that the Bryant Street Project site is one of the Port's most attractive development sites and has been the subject of considerable developer interest over the past year. The approximately 12-acre pier and three-acre seawall lot together constitute the Port's largest development site. Due to the large size of Pier 30-32, the Waterfront Plan calls for significant maritime and public access uses, together with a mix of commercial activities, all centered on a common theme.

The Waterfront Plan designated Pier 30-32 (as well as Piers 27-29 & Pier 35) as a possible location for a new passenger cruise terminal. In October 1998, after extensive analysis of the cruise industry's needs and public hearings, the Port Commission directed staff to prepare a developer request for proposals for mixed use development of Pier 30-32 and Seawall Lot 330 that includes the new "James R. Herman Passenger Cruise Ship Terminal."

Port staff anticipates that the Bryant Street Pier Project will proceed according to the following schedule for 1999:

April	Form Advisory Group and Issue Request for Qualifications for Consultants
May	Seek Port Commission Approval to Issue Request for Qualifications (RFQ)
June	Issue Developer RFQ
August	Developer Qualifications Due
September	Select Qualified Developers, Issue Request for Proposals
November	Development Proposals Due

Port staff has selected a well-qualified group of citizens and organizations to participate in the Advisory Group for the Bryant Street Pier Project. As outlined in the Waterfront Land Use Plan, an Advisory Group's purpose is to provide professional expertise and community input in the early phases of conceptualization of Port development projects.

The following individuals (or organizations which will appoint individuals) with demonstrated expertise and experience in the San Francisco waterfront, retail, office and hotel development and operations, visitor-related services, transportation, cruise operations and the surrounding neighborhoods comprise the Advisory Group:

- Theresa Rae - SPUR
- Jane Morrison - San Francisco Tomorrow
- Julia Viera - Waterfront Plan Advisory Board
- Four representatives chosen by the Rincon Point - South Beach Citizens Advisory Committee
- Representative from Delancey Street
- John Love - International Hospitality & Tourism Consulting
- Representative from the SF Visitors & Convention Bureau
- Andy Barnes - Barnes & Co. (expert in large scale, mixed use development)
- Kersten Magary - MUNI
- Bobby Guillory - International Longshore and Warehouse Union
- Representative from Carnaval Cruise Lines
- Representative from Princess Cruise Lines
- Representative from Crystal Cruise Lines
- Representative from Holland America Cruise Lines
- Ground Agent for Cruise Lines
- Al Pratt - SF Operations Manager for Metropolitan Stevedore Company

The Advisory Group will begin meeting the first week in May and the meetings will be open to the public.

Jeffrey Leibovitz, member of the Board of Directors at Portside, indicated that several months ago, when the Port chose to elect a Citizens Advisory Committee for Pier 30/32 in the development of a cruise terminal, their Board of Directors rendered a letter to the Commission requesting that they have a seat on the advisory committee. Portside is located directly from SWL 330. There are 220 owners at Portside. They have great interest in what takes place on the waterfront. They are delighted that the Commission is putting together a CAC and are delighted at the expertise represented. The Rincon Point-South Beach CAC may place members on the committee, but he does not believe that any of their residents, managers, or members of their board presently are members of the Rincon Point-South Beach CAC. As a board of director, he requested that a member of their organization be included in the Advisory Committee.

Anne Cook replied that she is meeting with the Rincon Point - South Beach CAC tomorrow and the CAC is in the process of changing their membership to reflect ownership patterns that have changed. She proposed to speak to the CAC to find out which organizations will be represented and if there are other groups that need to be represented.

9. FINANCE & ADMINISTRATION

A. Approval of Executive Director compensation for the 1999/2000 fiscal year. (Resolution No. 99-26)

Ms. Kathy Mallegni, Human Resources Manager, indicated that the Charter grants the Port Commission the exclusive authority to set the compensation (salary and benefits) of the Port Executive Director. The Charter also provides that the Port Director salary cannot exceed prevailing rates paid to those on similar positions and comparable maritime employment. In view of the Charter, staff conducted a survey of the major West Coast ports and determined that the salaries for the directors on those ports surveyed averaged approximately $181,000 a year, about 27% above the current Port director salary of $141,436.

In the past several years, annual changes to the compensation for the Executive Director were set the same as that of members of the Municipal Executives Association (MEA), as negotiated between the City and MEA. The contract that was negotiated between the City and MEA in 1998 covered the period from July 1, 1998 through June 30, 2001. The contract provides for annual salary increases of 3% per year, each year effective October 1, 1999 and an increase in benefit coverage of approximately $25 per month to cover additional projected cost of health benefits.

Granting the Port Director a 3% increase in salary effective October 1 with the corresponding increase in health benefit cost would provide the same basic benefits provided to MEA members and would be in keeping with the Commission's past practice. Granting the Port Director a 3% salary increase would advance his salary to $145,664 per year.

Commissioner McWilliams indicated that the salary survey of West Coast port directors is not an appropriate benchmark because other ports are different. It is not a relevant survey to measure compensation for our Port Director because the responsibilities, tasks, amount of revenue, and structure are different. He would like to see a different benchmark to use but he understands that they are locked into this because of the City Charter. Ms. Mallegni concurred that the Charter indicates that a survey be performed with comparable positions. Some ports have airport as well as seaport but the Charter mandates that a salary survey be performed with other West Coast Ports.

Commissioner Hardeman amended the resolution by increasing the raise to 5%, instead of 3%, granting the Executive Director pay-for-performance bonus of 2%.

ACTION: Commissioner Hardeman moved approval, as amended; Commissioner McWilliams seconded the motion. All of the Commissioners were in favor; Resolution No. 99-26 was adopted.

10. NEW BUSINESS / PUBLIC COMMENT

Commissioner McWilliams mentioned that he would not be able to attend the April 27th Commission meeting, as he will be out of town.

The meeting was adjourned at 6:20 p.m.

DOCUMENTS DEPT.

APR 2 3 1999

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SAN FRANCISCO
PORT COMMISSION

REGULAR MEETING
4:00 P.M., TUESDAY, APRIL 27, 1999
FERRY BUILDING, SUITE 3100
SAN FRANCISCO, CA 94111

AGENDA

1. **ROLL CALL**

2. **APPROVAL OF MINUTES** - April 13, 1999 Regular Meeting
   - April 13, 1999 Special Meeting

3. **EXECUTIVE**

   A. Executive Director's Report

4. **CONSENT CALENDAR**

   A. Consent to reinstatement of certain restaurant uses for Lease No. L-9781 with SFO Forecast, Inc. for property located at 400 Jefferson Street. (Resolution No. 99-29)

5. **MARITIME**

   A. Informational report on the status of the preparation of a maritime industrial plan and on the creation of a Maritime Advisory Panel.

6. **REAL ESTATE**

7. **FACILITIES & OPERATIONS**

   A. Approval to advertise for competitive bids for construction of a Passenger Vessel Landing at China Basin. (Resolution 99-30)

8. **PLANNING & DEVELOPMENT**

   A. Authorization for Port staff to commence process of preparing a Request for Proposals for a Mixed-Use Active Recreation Development Project at Piers 27-31 and informational presentation on the creation of the Northeast Waterfront Advisory Group. (Resolution No. 99-25)

9. **FINANCE & ADMINISTRATION**

10. NEW BUSINESS / PUBLIC COMMENT

Public comment is permitted on any matter within Port jurisdiction and is not limited to agenda items. Public comment on non-agenda items may be raised during New Business/Public Comment. Please fill out a speaker card and hand it to the Commission Secretary. If you have any question regarding the agenda, please contact the Commission Secretary at 274-0406.

11. EXECUTIVE SESSION

A. Vote on whether to hold closed session to confer with Legal Counsel and Real Property Negotiator.

B. CLOSED SESSION

(1) CONFERENCE WITH LEGAL COUNSEL REGARDING PROPOSED SETTLEMENT: This is specifically authorized under California Government Code Section 54956.9.

a. Proposed settlement of existing litigation with Phil Gatine and Crushcon, Inc. in San Francisco Superior Court Case Nos. 300-383, 165-348, 166-321 and 166-322.

12. RECONVENE IN OPEN SESSION

A. Possible report on actions taken in closed session pursuant to Government Code 54957.1(a)2 and San Francisco Administrative Code 67.14(b)(2).

B. Vote in open session on whether to disclose any or all executive session discussions pursuant to Government Code 54957.1(a)(2) and San Francisco Administrative Code 67.14(b)(2).

13. ADJOURNMENT

MAY 1999

CALENDAR OF PORT MEETINGS - OPEN TO THE PUBLIC

Date	Time	Group	Location
Monday, May 3	5:00 p.m.	Southern Waterfront Advisory Comm.	Executive Conf. Rm. #3100, Ferry Building
Tuesday, May 4	9:00 a.m.	Pier 45 Advisory Group	Scoma's Restaurant
Wednesday, May 5	1:30 p.m.	Bryant Street Pier Advisory Group	Port Commission Room #3100, Ferry Building
Tuesday, May 11	4:00 p.m.	Port Commission Meeting	Port Commission Room #3100, Ferry Building
Wed., May 12	1:30 p.m.	Bryant Street Pier Advisory Group	Port Commission Room #3100, Ferry Building
Tuesday, May 18	9:00 a.m.	Pier 45 Advisory Group	Scoma's Restaurant
Wed., May 19	1:30 p.m.	Bryant Street Pier Advisory Group	Port Commission Room #3100, Ferry Building
Tuesday, May 25	4:00 p.m.	Port Commission Meeting	Port Commission Room #3100, Ferry Building

NOTES:

The San Francisco Port Commission meets regularly on the 2nd and 4th Tuesday of the month at 4:00 p.m. Contact Amy Quesada, Port Commission Secretary, at 274-0406, to be placed on the mailing list for Commission meeting agendas.

The Rincon Point-South Beach CAC meets regularly on the 2nd Wednesday of each month at 4:00 p.m. Contact Amy Neches, Redevelopment Agency at 749-2450, for more information.

Port Website:

Check out the Port's Website at www.sfport.com

Questions/Contacts:

Pier 45 Advisory Group	Kirk Bennett	274-0545
Bryant Street Pier Advisory Group	Anne Cook	274-0483
Southern Waterfront Advisory Committee	Braj Norris	274-0540

PORT OF SAN FRANCISCO

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MEMORANDUM

April 22, 1999

TO: MEMBERS, PORT COMMISSION
Hon. Denise McCarthy, President
Hon. Kimberly Brandon, Vice President
Hon. Michael Hardeman
Hon. Brian McWilliams
Hon. Pius Lee

FROM: Douglas F. Wong
Executive Director

SUBJECT: Consent to reinstatement of certain restaurant uses for Lease No. 9781 with SFO Forecast, Inc. for property located at 400 Jefferson Street.

DIRECTORS RECOMMENDATION: CONSENT TO CHANGE IN TYPE AND CLASS OF BUSINESS AND RESETTING PERCENTAGE RENTAL OF LEASEHOLD.

Background Summary

Port Lease No. L-9781 dated March 12, 1975, as amended (the "Lease"), with Sanford Cohn and Jake Francisco (Successors in interest to Sal and Dom's Fish, Incorporated) as tenant (collectively "Assignor") was approved for assignment to The S.F.O. Forecast, Inc. ("Assignee"), currently dba Cioppinos, with the encumbrance of the leasehold by Assignor by Port of San Francisco Commission Resolution Number 96-27 on March 26, 1996.

At the time of this assignment S.F.O. Forecast, Inc. requested, and the Port resolved, that the class of restaurant permitted under the lease continue to be a seafood and Italian restaurant and bar, but the class be expanded to include bakery and coffee products. The type of permitted restaurant uses included both full service restaurant uses and casual dining restaurant uses. The lease also provided for 1,670 square feet of retail merchandising which was to include wine, food and ancillary products related to wine,

food and cooking. The Port of San Francisco Resolution Number 96-27, dated March 26, 1996 provided that percentage rent be retroactive to April 1, 1995, as follows:

Retail Wine Sales:	6.75%
Other Retail Sales:	8.75%
Food, alcoholic beverages, and all other items sold through the bar	
First $50,000 of monthly gross receipts:	6.75%
Monthly gross receipts between $50,000.01 and $75,000.00:	7.75%
Monthly gross receipts in excess of $75,000.00:	8.75%

Subsequent to the assignment of lease, change in type and class of business, and resetting of percentage rent, as approved by San Francisco Port Resolution Number 96-27, S.F.O. Forecast, Incorporated currently dba Cioppinos, has requested that these terms be revisited.

Proposed Use and Percentage Rent

Under the Lease, a change in use is permitted upon the consent of the Port Commission. Subsequent to negotiations by Port staff with S.F.O. Forecast dba Cioppinos, Port staff recommends the following:

1. Consent to a Change in the Type of Business. The type of permitted restaurant use will be a full service restaurant and exclude any casual restaurant dining uses. ("Full service restaurant uses" are defined as restaurant uses where all food and beverages are ordered by and served to customers at their table or counter for consumption on the leased premises.)

2. Agreement to Resetting Percentage Rental. Also, as a condition of the Port's consent to the change in use, the percentage rent calculation will be adjusted retroactively to October 1, 1998, as follows:

Retail Wine Sales	6.75%
Other Retail Sales	8.75%
Food	6.75%
Alcoholic Beverages, and all other items sold through the bar	6.75%

Prepared by: Elliott B. Riley, Assistant Rental Manager, Port of San Francisco

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 99-29

WHEREAS, Charter Section 3.581 empowers the Port Commission with the power and duty to use, conduct operate, maintain, manage, regulate and control the Port area of San Francisco; and

WHEREAS, Under Charter Section 3.581 (g) leases granted or made by the Port Commission shall be administered exclusively by the operating forces of the Port Commission; and

WHEREAS, The Lease provides that the Leased premises shall be used to conduct a seafood and Italian restaurant and bar, and such other uses that are reasonably related thereto, and for the retail sale of art objects; and

WHEREAS, Pursuant to Section 5 of the Lease, change of the type or class of business or change of the allowed uses are permitted with the consent of the Port; and

WHEREAS, Port consent has been requested for a change in the type of business permitted by the lease, which will result in a change in the percentage rent; now, therefore be it

RESOLVED, That the Port Commission hereby consents to the change in the type of business as indicated in the memorandum to the Port Commission of Agenda Item 4A for the Port Commission Meeting on April 27, 1999 and, be it further

RESOLVED, That the percentage rental of the Lease shall be adjusted retroactively to October 1, 1998 as indicated in the Memorandum to the Port Commission for Agenda Item 4A for the Port Commission Meeting on April 27, 1999; and, be it further

RESOLVED, That the Port Commission authorizes the Executive Director, or designee, to execute all such appropriate documentation needed to implement the Resolution.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of April 27, 1999.

_____
Secretary

G:WP51/Agenda/Seafood-Cioppinos/ER:vw/4/21/99

PORT OF SAN FRANCISCO

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MEMORANDUM

April 22, 1999

TO: MEMBERS, PORT COMMISSION
Hon. Denise McCarthy, President
Hon. Kimberly Brandon, Vice President
Hon. Michael Hardeman
Hon. Brian McWilliams
Hon. Pius Lee

FROM: Douglas F. Wong
Executive Director

SUBJECT: Permission to Advertise for Competitive Bids for Construction of a Passenger Vessel Landing at China Basin

DIRECTOR'S RECOMMENDATION: TO APPROVE THE REQUEST FOR PERMISSION TO ADVERTISE FOR COMPETITIVE BIDS FOR CONSTRUCTION OF A PASSENGER VESSEL LANDING AT CHINA BASIN.

The design of a passenger vessel landing at China Basin and related public access improvement is nearly complete, and this project is ready for construction bidding. Design of the landing and the preparation of construction drawings is being finalized by Moffatt and Nichol Engineers, and was funded through an allocation of tax-increment funds by the San Francisco Redevelopment Agency (SFRDA) pursuant to the Owner Participation Agreement between the China Basin Ballpark Company (CBBC) and the SFRDA. The main project elements include a new two-berth passenger terminal with accessible gangways, floating platforms, entry gates, signage, and utilities.

We anticipate receiving permits from the Bay Conservation and Development Commission and the Army Corps of Engineers by the end of June. The Mayor's Citywide Coordinator for Disability Access has reviewed this project and the conceptual design was presented to the Rincon Point-South Beach Citizens' Advisory Committee and members of the South Beach Marina Yacht Club for their review and comment. Construction of the project will be funded by a $2 million grant from the U.S. Department of Transportation's Ferry Boat Discretionary Program.

This Print Covers Calendar Item No. 7A

The construction contract work will include contract mobilization and demobilization; demolition; supervision and management; labor, materials, and equipment to complete the work as generally described above and set forth in the construction documents. The current engineer's estimate for the construction is $1,900,000.

Prepared by: Cliff Jarrard, Chief Harbor Engineer

PORT COMMISSION
CITY & COUNTY OF SAN FRANCISCO

RESOLUTION NO. 99-30

WHEREAS, The Port and China Basin Ballpark Company LLC ("CBBC") entered into a Ground Lease, dated November 26, 1997 ("the Lease") for the construction of the Pacific Bell Ballpark at China Basin for the San Francisco Giants; and

WHEREAS, Under Section 37.1 of the Lease, the parties agreed to cooperate in good faith in planning the development of ferry service to the leased premises for baseball games and for year-round use consistent with regional ferry service plans and studies and the environmental mitigation measures adopted by the Port Commission; and

WHEREAS, The San Francisco Redevelopment Agency ("SFRDA") has allocated $500,000 in tax increment money for the purpose of developing the ferry terminal pursuant to the Owner Participation Agreement between CBBC and the SFRDA, Section 1.1 and Attachment C; and

WHEREAS, To further the development of the ferry terminal, the Port issued a Request for Proposals ("RFP") in June 1998 for the design, construction, operation and maintenance of a ferry berthing facility (ferry terminal) located along the north side of China Basin Channel adjacent to the new Pacific Bell Ballpark. Only one bidder submitted a proposal, and was determined to be non-responsive; and

WHEREAS, The Port received a $2 million grant from the U.S. Department of Transportation's Ferry Boat Discretionary Program administered by the Federal Highway Administration ("FHWA") for the purposes of constructing a ferry terminal at Pacific Bell Park; and

WHEREAS, The Port has determined that it will undertake the construction and maintenance of the Ferry Terminal funded by the grant funds;

WHEREAS, The Port staff, working in cooperation with the China Basin Ballpark Company and its design consultants, have sufficiently completed the design plans and specifications such that the construction work may be competitively bid; and

WHEREAS, The Port engineer's current cost estimate for construction, including a 10% contingency is $1,900,000; now, therefore, be it

RESOLVED, That the San Francisco Port Commission hereby authorizes Port staff to advertise for competitive bids for the construction of the China Basin Ferry Terminal.

I hereby certify that the foregoing resolution was adopted by the San Francisco Port Commission at its meeting of April 27, 1999.

_____
Secretary

PORT OF SAN FRANCISCO

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MEMORANDUM

April 20, 1999

TO: MEMBERS, PORT COMMISSION
Hon. Denise McCarthy, President
Hon. Kimberly Brandon, Vice President
Hon. Michael Hardeman
Hon. Brian McWilliams
Hon. Pius Lee

FROM: Douglas F. Wong
Executive Director

SUBJECT: Authorization for Port staff to commence process of preparing a Request for Proposals for a Mixed-Use Active Recreation Development Project at Piers 27-31 and informational presentation on the creation of the Northeast Waterfront Advisory Group

DIRECTOR'S RECOMMENDATION: AUTHORIZE PORT STAFF TO COMMENCE PROCESS OF PREPARING A REQUEST FOR PROPOSALS FOR A MIXED-USE ACTIVE RECREATION DEVELOPMENT PROJECT AT PIERS 27-31

BACKGROUND

Transitional Maritime Areas

The Port's *Waterfront Land Use Plan* identifies certain piers in the Northeast Waterfront – including Piers 27-29 - as Transitional Maritime Areas (shown on the attached map) in recognition of the changing nature of the maritime industry and of this portion of the Waterfront. The Waterfront Plan states that maritime operations are encouraged on piers located within the Transitional Maritime Areas until the piers are determined to no longer be required for exclusively cargo/industrial maritime use. The Waterfront Plan established a review process in which specified criteria are to be considered in determining if piers in Transitional Maritime Areas are no longer needed exclusively for such maritime activities.

This Print Covers Calendar Item No. 8A

Port staff, with the assistance of an independent consultant, completed this review process concerning Piers 27-29, and on March 23, 1999 by Resolution No. 99-03, the Port Commission found that the shed buildings at Piers 27 and 29 are surplus to the cargo related and maritime industrial needs of the Port, but that the berth at Pier 27 is not surplus to the maritime needs of the Port. The Port Commission further resolved that: any future development of Pier 27 must be compatible with berthing at Pier 27 (with the exception of industrial berthing which has operational requirements that are not compatible with public access and commercial uses); the Port shall establish a Maritime Advisory Panel to work with the Port to develop a maritime and industrial plan for the Port; and Port staff was authorized and directed to consider other trust uses for Piers 27-29 consistent with the *Waterfront Land Use Plan.*

Special Planning Area Study

The Waterfront Plan provides that, prior to approving any new development project on Piers 27-29, the Port is to complete a Piers 15-29 Special Planning Area Study. This planning study is to address the following issues prior to approving new development on any of these piers (which first must be determined surplus to cargo/industrial maritime use): (1) the location and size of a major public open space in this area; and (2) the location and configuration of piers, including removal of pier area to create open water. These issues have been included in the joint efforts of BCDC, the Port and Save San Francisco Bay Association to update and amend BCDC plans to meet BCDC and Save the Bay objectives of maximum feasible public access and increasing open water areas, and Port objectives to implement the Waterfront Plan. BCDC currently is drafting amendments to its planning documents which will be subject to public review and hearings prior to approval by the Port Commission and BCDC at the end of this year.

REVIEW OF WATERFRONT PLAN USE GUIDELINES

The introduction to the Northeast Waterfront Subarea section of the Waterfront Plan states that, if as expected, cargo/industrial maritime activities consolidate in the Southern Waterfront, the Waterfront Plan encourages the reuse of these piers for new mixed-use pier developments, including commercial recreation activities along with excursion boats, cruise ships or other maritime uses and public access activities, which appeal to the local and regional population. The Development Standards in this section state that Piers 27-29 (as well as Piers 15-17) provide key opportunities for public-oriented activities because of the large surface areas of the facility. Either site could be a location for a public market or for a family-oriented entertainment facility, which could include educational cultural themes that distinguish the attraction from others which are geared towards tourists. The Development Standards state that, alternatively, Piers 27-29 could provide a desirable site for a modern cruise terminal.

In 1998, the Port studied the alternative sites for a new cruise ship terminal, including Pier 35, Piers 27-29 and Piers 30-32. An informational presentation and public hearing on this matter were conducted by the Port Commission on September 8, 1998. On October 27, 1998, the Port Commission selected Piers 30-32 as the preferred site for a new cruise terminal, to be named after former Port Commissioner and ILWU President James R. Herman. By Resolution No. 98-108, the Port Commission authorized and directed Port staff to form an advisory group pursuant to the *Waterfront Land Use Plan* and to prepare a request for proposals for a mixed-use development at Piers 30-32 and Seawall Lot 330 that includes the new James R. Herman Cruise Ship Terminal. This is now in process.

Based upon on this Resolution No. 98-108 and Resolution No. 99-03 (discussed above), which directed Port staff to consider other trust uses of Piers 27-29 consistent with the Waterfront Plan, Port staff has reviewed the policies contained in the *Waterfront Land Use Plan* to determine the appropriate trust uses for Piers 27-29.

Port staff first considered the acceptable uses for the site indicated in the Waterfront Plan, the goals stated for the Waterfront, and the objectives stated for the Northeast Waterfront Subarea. The goals of the Waterfront Plan include: reuniting the City with its Waterfront, a working waterfront; a revitalized Port; a diversity of activities and people; access along the Waterfront; an evolving waterfront, mindful of its past and its future; urban design worthy of the waterfront setting; and economic access to reflect the diversity of San Francisco. The objectives for the Northeast Waterfront Subarea include the following: activate this subarea with an array of uses which establish a daytime and nighttime presence, but are not primarily tourist oriented; protect and enhance the historic maritime character of the area; and provide new public access amenities which highlight newly created points of interest. Port staff gave significant weight to the creation of a development which establishes a daytime and nighttime presence, but which is not primarily tourist oriented.

Port staff also considered the policy of the Waterfront Plan which strongly encourages that new commercial development on the piers are to be mixed-use developments, which include maritime, open space and public access amenities, and which bring day and night time activities to the waterfront. In addition, Port staff considered the distinctive configuration of Piers 27-29, including: the unique clear-span structure of the Pier 27 shed; the large open space areas around the perimeter and between Piers 27-29; and the proposed location (per the work to date on the Piers 15-17 Special Planning Area Study) of the new major public open space at the south end of Pier 27. Finally, Port staff considered the interest expressed by potential developers as to the uses which could be appropriately developed on the site, and which could not be developed on other sites.

RECOMMENDATIONS

Based upon this review, Port staff believed that the most appropriate public trust development for Piers 27-29 is a mixed-use Active Recreation development with ancillary uses. Port staff therefore recommends that the Port Commission authorize staff to commence the process

prescribed in the *Waterfront Land Use Plan*, which will include the formation of an advisory group to provide input and guidance to Port staff, for preparing a Request for Proposals ("RFP") for a mixed-use Active Recreation development with ancillary uses. Port staff also recommends that consideration be given to including Piers 29½ through 31½ in its RFP if it enhances the feasibility of the mixed-use development.

Prior to issuing this RFP, Port staff will seek specific authorization from the Port Commission to issue the RFP. Subsequent approval of a development project pursuant to this RFP will not be sought by Port staff until the Piers 15-29 Special Area Planning Study is completed.

NORTHEAST WATERFRONT ADVISORY GROUP

If the Port Commission approves the attached Resolution No. 99-25, Port staff intends to establish a Northeast Waterfront Advisory Group, pursuant to the site specific development process stated in the *Waterfront Land Use Plan*, which will provide input and guidance to Port staff on the development concept to be included in the RFP for a mixed-use Active Recreation Development Project at Piers 27-29, and perhaps also Piers 29½-31½. In that this development concept will be impacted by the results of the Piers 15-29 Special Planning Area Study (discussed above), the Northeast Waterfront Advisory Group will also advise Port staff on this Special Planning Area Study. Port staff will make another informational presentation to the Port Commission as to the membership of this advisory group after it is formed, but before it convenes.

Prepared by: Kirk Bennett
Manager, Waterfront Development Projects

PORT COMMISSION
CITY & COUNTY OF SAN FRANCISCO

RESOLUTION NO. 99-25

WHEREAS, under the City and County of San Francisco Charter, Section B 3.581, the Port of San Francisco has the authority and duty to use, conduct, operate, maintain, manage, regulate and control the lands within the Port jurisdiction; and

WHEREAS, the Port Commission by Resolution No. 99-03 determined that Piers 27-29 are not needed exclusively for cargo related or maritime industrial uses and can be utilized for non-maritime uses; and

WHEREAS, Port staff is well under way in the process of completing a Piers 15-29 Special Planning Area Study; and

WHEREAS, by Resolution No. 98-108, the Port Commission determined to proceed with the development of the new James R. Herman Cruise Ship Terminal as part of a mixed-use development at Piers 30-32 and Seawall Lot 330; and

WHEREAS, the Port Commission has considered the policies of the *Waterfront Land Use Plan* relating to Piers 27-29; and

WHEREAS, the Port Commission policy encourages competitive bidding of retail opportunities unless impractical or impossible; now therefore be it

RESOLVED, that the Port Commission directs Port staff to commence the process prescribed in the *Waterfront Land Use Plan,* which will include formation of an advisory group to provide input and guidance to Port staff, for preparing a Request for Proposals for a mixed-use Active Recreation development with ancillary uses at Piers 27-29, and to consider the inclusion of Piers 29½-31½ in this Request for Proposals.

I hereby certify that the foregoing resolution was adopted by the San Francisco Port Commission at its meeting of April 27, 1999.

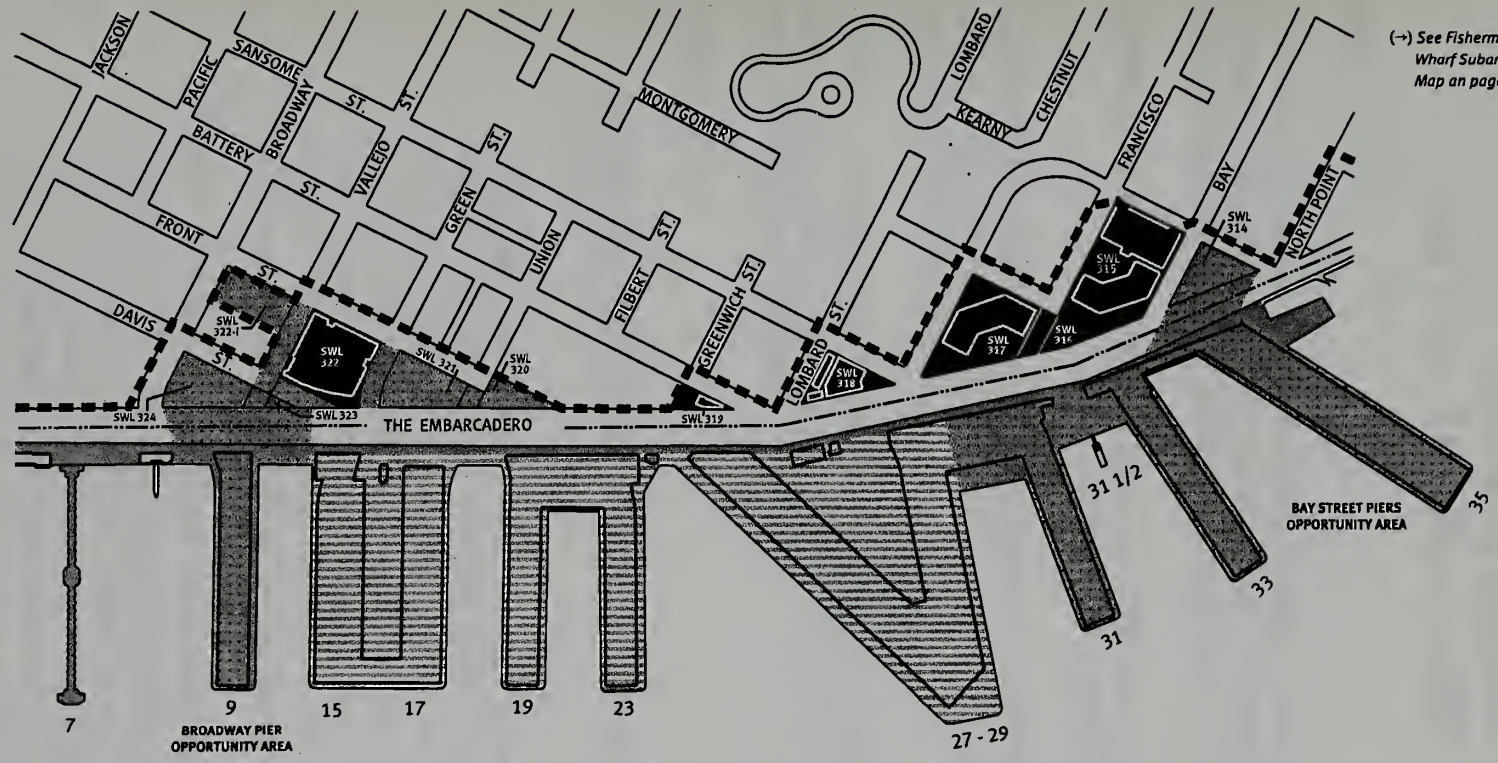
I:\kirk\RFPmixeduseP27-29

Secretary

THE NORTHEAST WATERFRONT SUBAREA

(←) See Ferry Building Waterfront Subarea Map an page 113

(→) See Fishermans Wharf Subarea Map an page 81



SAN FRANCISCO BAY

Legend

- Waterfront Mixed Use Opportunity Areas [a]
- Transitional Maritime Areas
- Other Public Access & Open Space Areas
- Existing (Long-Term) Commercial Areas

[a] Waterfront Mixed Use Opportunity Areas include any underlying existing and acceptable maritime, public access and open space and commercial areas. See Acceptable Land Use Tables for more detail.

Map Notes

1 Facilities located along the marginal wharf between piers north of the Ferry Building are generally described by the number of the pier on the left followed by "½". e.g. Pier 31½ is located between Pier 31 & Pier 33.

2 When the Waterfront (Embarcadero) Transportation Projects are completed, portions of certain streets abutting the Embarcadero will be vacated and included in adjacent seawall lots which are designated for potential new developments.

—·—·— San Francisco Municipal Railway (MUNI) 'F-Line': An extension of the F-Line from Market Street north to Fisherman's Wharf, featuring the City's historic streetcar collection.

▪▪▪▪ Waterfront Plan Project Area Boundary

SWL Seawall Lot

3 The maps are illustrative only. Please see the Acceptable Land Use Tables in Chapter 4 for a complete listing of acceptable permanent uses for each Port site.

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CITY & COUNTY OF SAN FRANCISCO
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REGULAR MEETING
4:00 P.M., TUESDAY, APRIL 27, 1999

1. ROLL CALL

Commission President Denise McCarthy called the meeting to order at 4:05 p.m. The following Commissioners were present: Denise McCarthy, Kimberly Brandon, Michael Hardeman and Pius Lee. Commissioner McWilliams was not present.

2. APPROVAL OF MINUTES - April 13, 1999 Regular Meeting
- April 13, 1999 Special Meeting

ACTION: Commissioner Lee moved approval; Commissioner Brandon seconded the motion. All of the Commissioners were in favor; the minutes of the April 13, 1999 regular meeting were adopted.

ACTION: Commissioner Hardeman moved approval; Commissioner Lee seconded the motion. All of the Commissioners were in favor; the minutes of the April 13, 1999 special meeting were adopted.

3. EXECUTIVE

A. Executive Director's Report: Executive Director Douglas Wong reported the following:

1) FEMA approved a supplemental Damage Survey Report (DSR) for an additional $1,275,518 for the Ferry Plaza, Piers 27/29 Earthquake Repair and Mitigation Project. The total approved project amount is $6,795,633. All of the consultant's design, contracted construction (including all contract modifications) and even most of the Port staff's time was funded at no cost to the Port. Mr. Wong thanked Alex Lee and his staff for their hard work and Ben Kutnick and his staff for providing the records to capture all the costs.

2) The Full Board of Supervisors unanimously approved the Pier One Lease and Sublease between the Port and AMB Property Corporation on Monday, April 19th. This morning, the Mayor signed the legislation with representatives of AMB in attendance. The final major approval for Pier One is a BCDC permit, which is scheduled for their consideration on May 6th. AMB plans to begin driving piles in August. This project is a very exciting chance for the Port to demonstrate its ability to successfully undertake high quality, historic preservation projects in partnership with private developers. Mr. Wong

indicated that he would keep the Commission updated as the project nears groundbreaking.

3) KFOG's 6th Annual Kaboom is a waterfront fireworks show and a free concert. The event will take on Saturday, May 22, 1999 at Piers 30/32, during the hours of 4 p.m. to 9:30 p.m.

ESPN X-Games is a free, Olympic style, extreme sport competition, which will be held at Piers 30/32 on June 25 through July 3, 1999. The hours of operation are noon to 9:00 p.m. There will be music and food, as well as sponsorship booths. ESPN has been working closely with the Port Commission, Police Department, and other City agencies to ensure a safe and responsible event. During all hours of operation there will be added police and parking and traffic control officers to provide security and facilitate traffic flow.

Commissioner Hardeman reported that he was in Washington last week meeting with Congresswoman Pelosi. He presented her with the Ferry Building book and thank you letter from Veronica Sanchez on behalf of the Commission and Port staff for her efforts in allocating the surplus drydock to the Port of San Francisco. Commissioner Hardeman suggested having a formal gathering to honor Congresswoman Pelosi for all her work and support on behalf of the Port of San Francisco. Veronica Sanchez had some ideas and suggested that she share them with the Executive Director and the Commission so that the Port can formally thank the congresswoman for all her efforts. He reminded everyone that the congresswoman was very instrumental in the Port's acquisition of the drydock.

4. CONSENT CALENDAR

A. Consent to reinstatement of certain restaurant uses for Lease No. L-9781 with SFO Forecast, Inc. for property located at 400 Jefferson Street. (Resolution No. 99-29)

ACTION: Commissioner Hardeman moved approval; Commissioner Lee seconded the motion. All of the Commissioners were in favor; Resolution No. 99-29 was adopted.

5. MARITIME

A. Informational report on the status of the preparation of a maritime industrial plan and on the creation of a Maritime Advisory Panel.

Mr. Osmundson, Director of Planning & Development, indicated that on March 23, 1999, the Port Commission adopted Resolution No. 99-03, which adopted findings required under the Port's Waterfront Land Use Plan that Pier 27/29 is not needed exclusively for cargo related and maritime industrial uses, and be utilized for non-maritime uses. As part of the resolution, the Port resolved to "...establish a Maritime Advisory Panel to work with the Port to develop a maritime industrial plan for the Port, with membership in the group to include (but not be limited to)

organized labor, marine terminal operators, cargo shipping users, other maritime industrial users, ground transportation companies and the public..."

The Port's Maritime Division has identified a number of individuals to serve on the Port of San Francisco's Maritime Advisory Panel, based on their special knowledge of and expertise in industrial maritime and cargo shipping related businesses:

- D.Carl Hanson, SF Drydock
- Jim Wiltshire, Marine Terminals Corporation Manager
- Mary Macmillan, Westar Marine Services Manager
- Representative from the International Longshore and Warehouse Union
- Captain Russell Nyborg, San Francisco Bar Pilots
- Mike Neerney - Inchape Shipping Services
- Tim Parker - Metropolitan Stevedoring Vice President
- Barney Dreiling, Darling International Vice President
- Engineering or Marine Construction Industry Representative

Once participation by all members has been confirmed, a meeting schedule will be prepared for the Maritime Advisory Panel. All meetings will be open to the public.

As part of the staff report and recommendation accompanying Resolution No. 99-03, Port staff also recommended that a maritime industrial plan for the Port of San Francisco, focused on the southern waterfront, be prepared.

Due to the specialized nature of the scope of work, the Port will be seeking assistance from a consultant team with experience and expertise in cargo and maritime market analysis and forecasting, industrial land planning and design, coastal and marine engineering, cost estimating and transportation planning and analysis. Port staff will be preparing and issuing a Request for Proposals in order to select the most highly qualified consultant team, in accordance with all City requirements for procurement of professional services.

The consultant team will present the results of their analysis and draft plans to the Maritime Advisory Panel for review and input, prior to the finalization of the Maritime Industrial Plan. All of these efforts will use the Port's Waterfront Land Use Plan as a starting point. The preparation of the plan will also be coordinated with other existing City and regional plans (including the City's General Plan and the BCDC Seaport Plan) and other ongoing or anticipated planning efforts in the area including the Southern Waterfront Advisory Committee and the Redevelopment Agency South Bayshore Plan.

It is anticipated that the analysis will take approximately 3-4 months to prepare, and that the plan would be completed within six months of the commencement of the work effort. The estimated budget for the preparation of the plan is $125,000 and would be funded by Port Capital Plan funds.

6. **REAL ESTATE**

7. **FACILITIES & OPERATIONS**

A. Approval to advertise for competitive bids for construction of a Passenger Vessel Landing at China Basin. (Resolution 99-30)

Mr. Leo Bragagnolo, Senior Civil Engineer and Project Manager, amended the resolution to include the following clause, "This action is an authorization to advertise for bids only. It does not commit the Port to proceed with the project. The City Planning Department's Office of Environmental Review is currently reviewing the project and no binding Port Commission action will be taken until the Port Commission has the opportunity to review and consider any additional environmental review." He also noted that this request for authorization to advertise pertains to a construction contract which will be awarded to the lowest responsive bidder. Mr. Bragagnolo showed the Commission visual displays showing the design of the ferry terminal and discussed its features and intended use.

Mr. Bragagnolo indicated that in designing the China Basin ferry terminal, Port staff knew that a key component was getting BCDC on board with the overall layout of the facility. Staff met with BCDC and got their input and looked at the key issues they want to address. One of their primary issues was the physical location of the terminal relative to the ballpark. BCDC thought that the ideal spot would be at the center field plaza at the end of the portwalk. There will be a single access platform with two gangways - one going to the channel and one along the breakwall leading to two berthing facilities, which BCDC felt provided the optimal location for preventing passengers for queuing from the portwalk. Passengers will now be queuing in the center field plaza area prior to boarding the vessels. It also allows an unobstructed view of the water from the center field plaza and easy access from the Third and King Streets. Because of limitations in the design, the two floats would serve a variety of vessels. One float would serve vessels with a certain range of free board heights from the lowest up to mid-range level and another float would serve from mid-range level up to the higher vessels. Because of ADA access requirements, the design of both floats would serve all vessels. Initially, this terminal was planned to be used exclusively for the but as the Mission Bay area develops, it is hoped that it would be used as a year-round terminal and provide commute and excursion service.

BCDC has reviewed some of the concepts. Staff expects to seek BCDC's final review and approval in the near future. Various regulatory permits are in process. Because this is a fast track project, the Giants hope to have this operational by April 2000. Staff is trying to get ahead of the game in getting authorization from the Commission to advertise before some of the documentation are done, which should be completed within a month or so.

Commissioner Hardeman indicated that the Golden Gate Bridge Authority has shown interest in requesting that the Port put more than two berths. He asked about

the feasibility of expansion to get more berths. Mr. Bragagnolo replied that there is budget limitation. The Port received $2 million of FTA funds to build the terminal. Port staff hopes to build two berths initially. Since Port staff is aware that BCDC wants to concentrate access at this point, staff pushed the access platform far enough and left open a possibility to build a third access point behind the float and have another float at the other end of the channel. Another segment of the design is that everything was kept as close to the portwalk as possible to reduce any interference with the channel and to avoid conflicts with other uses of the channel.

Commissioner Brandon asked who would operate the terminal once it is completed. Mr. Bragagnolo replied that the Port has an agreement with the Giants to maintain a presence during baseball season since the terminal will be used exclusively for the Giants in the first couple of years. The Giants will maintain staff for crowd control, ushering people to the gates, etc. There will be boarding personnel from the ships to assist passengers. The Giants for the most part will maintain operation of the terminal during the first couple of years.

Commissioner Brandon asked if this would bring additional revenue to the Port. Mr. Bragagnolo replied that the Port will be getting docking fees, which will be structured to cover maintenance cost. The float will need to be drydocked every 7 to 10 years.

Commissioner Lee asked if the Port would have to seek BCDC's permission again if it needs to do expansion work in the future. If so, he asked if the Port could seek permission in advance to cut down on the permit process. Mr. Bragagnolo replied that the Port might have to seek BCDC's permission for expansion. Mr. Bragagnolo pointed out that included in the permit is a future expansion possibility.

Commissioner McCarthy asked about the ongoing maintenance cost, which ferries are going to use the facility and where tickets will be sold. Mr. Bragagnolo replied that most of the tickets would be sold on board the vessels. The Giants are going to maintain a booth at the ballpark for Muni, Caltrain and ferry tickets. For the first couple of years, there will be no ferry service except during ballgames.

With regard to maintenance cost, the engineers for this facility are due to deliver their construction documents this Friday. One of the things they will be addressing is maintenance cost. The maintenance cost would be comparable to what the Port is paying for Pier ½. Mr. John Davey replied that the Pier ½ maintenance cost is approximately $40,000 a year. Commissioner McCarthy asked if the facility would require a breakwater. Mr. Bragagnolo replied that it would be a good idea to have a breakwater but funding is currently not available. The design engineers will take that into account and try to design a system that would be robust enough to survive the winters without a breakwater.

Commissioner Brandon asked which ferries would be using the facility. Mr. Bragagnolo replied that the Port currently does not have any agreement with any

ferry service to use the facility. Commissioner McCarthy asked if it is the Port's responsibility to solicit ferry operators. Mr. Bragagnolo replied that there is enough interest out there and the ferry operators will be calling on Mr. Davey.

Mr. Davey, Port's Maritime Operations Manager, indicated that Port staff has spoke to the major purveyors of excursion of charter boats and ferries - Golden Gate Transit, Hornblower, Blue & Gold, Red & White, Pacific Marine Yachts, and Commodore Cruise Lines. Staff is not entirely certain if the makeup of this entire service would be scheduled ferries or a mixed use of charter service. At this point, the Port is providing the structure to handle boats. Whether or not it would be worked into the existing ferry service is still a question. The Giants are going to have their starting times geared towards the starting time of scheduled ferry services.

Commissioner McCarthy asked if this is just going to be limited to special excursion type ferries just for the game or whether the public would be able to utilize it. Mr. Davey indicated that there is a plan for a ferry landing for ferry services beyond the scheduled game days. The existing ferry services could include these services.

Ms. Kilstrom, Planning Division, indicated that when the Port was awarded the $2 million grant from the FerryBoat Discretionary Funds from the Department of Transportation, it was largely due to the strength of the growth of the South of Market and Mission Bay. The anchor at Mission Bay is going to be UCSF, a very large employer who would have a need for commuters. It is that foresight that this location for a landing serves a dual purpose. Ferry service would be used during ballgame days. Over the long term, staff expects this to be the ferry terminal for South Beach, Rincon Point area and Mission Bay. The Port may not have schedules today but it is in a great position to have a ferry terminal going in advance of pent up demand.

Commissioner Brandon expressed her concern about the maintenance of the facility. Mr. Alex Lee, Director of Facilities & Operations, indicated that any type of facility requires maintenance. The landing fee would help pay for the cost. The engineering department will work with the maritime department to ensure that the landing fee would cover everything. This facility will be operated and maintained by the Port and Port's maintenance department would be able to maintain the facility. The float would have to be drydocked in a few years. Maintenance cost will be within the $20,000-$30,000 range.

Mr. Osmundson indicated that the ferry terminal at Pier ½ was funded through earthquake emergency relief fund as mitigation for the rebuilding of the Cypress freeway. A landing fee schedule was set based on anticipated maintenance cost. The Port charged each of the commuter ferries a landing fee based on generating enough revenue to fund the maintenance cost. Staff will utilize the same approach to generate enough revenues from the landing fees to pay for the maintenance and operation of the facility.

Commissioner Hardeman commented about the ferryboat article in Sunday's newspaper. If the aggressive plan took hold, San Francisco would be the premier ferryboat user in the world. He is encouraged that staff has thought ahead and will have a third dock constructed and operational in a few years. He is delighted that the Port is utilizing this land for maritime purposes.

ACTION: Commissioner Lee moved approval; Commissioner Hardeman seconded the motion. All of the Commissioners were in favor; Resolution No. 99-30 was adopted.

8. PLANNING & DEVELOPMENT

A. Authorization for Port staff to commence process of preparing a Request for Proposals for a Mixed-Use Active Recreation Development Project at Piers 27-31 and informational presentation on the creation of the Northeast Waterfront Advisory Group. (Resolution No. 99-25)

Mr. Paul Osmundson, Director of Planning & Development, indicated that the Port's Waterfront Land Use Plan identifies certain piers in the Northeast Waterfront, including Piers 27/29 as Transitional Maritime Areas. The Waterfront Plan states that maritime operations are encouraged on piers located within the Transitional Maritime Areas until the piers are determined to no longer be required for exclusively cargo/industrial maritime use. The Waterfront Plan established a review process in which specific criteria are to be considered in determining if piers in Transitional Maritime Areas are no longer needed exclusively for such maritime activities.

Port staff, with the assistance of Roger Peters, an independent consultant, completed this review and on March 23, 1999 by Resolution No. 99-03, the Port Commission found that the shed buildings at Pier 27/29 are surplus to the cargo related and maritime industrial needs of the Port, but that the berth at Pier 27 is not surplus to the maritime needs of the Port. The Port Commission further resolved that: any future development of Pier 27 must be compatible with berthing at Pier 27 (with the exception of industrial berthing which has operational requirements that are not compatible with public access and commercial uses); the Port shall establish a Maritime Advisory Panel to work with the Port to develop a maritime and industrial plan for the Port; and Port staff was authorized and directed to consider other trust uses for Piers 27/29 consistent with the Waterfront Land Use Plan.

The Waterfront Plan provides that, prior to approving any new development project on Piers 27/29, the Port is to complete a Piers 15-29 Special Planning Area Study. This planning study is to address the following issues prior to approving new development on any of these piers (which first must be determined surplus to cargo/industrial maritime use): (1) the location and size of a major public open space in this area; and (2) the location and configuration of pies, including removal of pier area to create open water. These issues have been included in the joint

efforts of BCDC staff, the Port and Save San Francisco Bay Association to update and amend BCDC plans so that objectives related to maximum feasible public access and increased open water areas could be met in amending the BCDC plans to be consistent with the Waterfront Plan. BCDC currently is drafting amendments to its planning documents which will be subject to public review and hearings prior to approval by the Port Commission and BCDC at the end of this year.

The Waterfront Plan established guidelines for the Northeast Waterfront Subarea. It encouraged the reuse of these piers for new mixed-use pier developments, including commercial recreation activities along with excursion boats, cruise ships and other maritime uses and public access activities, which appeal to the local and regional residents. The development standards also state that these are key opportunities for public-oriented activities because of the large surface areas of the facility. In the Waterfront Plan, either site (Pier 15-17, 27-29) could be a location for a public market or for a family-oriented entertainment facility, which could include educational cultural themes. The development standards state that, alternatively, Piers 27/29 could provide a desirable site for a modern cruise terminal.

In 1998, the Port studied the alternative sites for a new cruise ship terminal, including Pier 35, Pier 27/29 and Pies 30/32. The Port Commission on September 8, 1998 conducted an informational presentation and public hearing on this matter. On October 27, 1998, the Port Commission selected Piers 30/32 as the preferred site for a new cruise terminal, to be named after former Port Commissioner James Herman. By Resolution No. 98-108, the Port Commission authorized and directed Port staff to form an advisory group to prepare a Request for Proposals for a mixed-use development at Piers 30/32 and Seawall Lot 330 that includes the new cruise ship terminal. This is now in process.

Based upon Resolution Nos. 98-108 and 99-03, which directed Port staff to consider other trust uses of Piers 27/29, Port staff has reviewed the policies contained in the Waterfront Land Use Plan to determine the appropriate trust uses for Piers 27/29. Port staff first considered the acceptable uses for the site indicated in the Waterfront Plan, the goals stated for the waterfront, and the objectives stated for the Northeast Waterfront subarea. The goals of the Waterfront Plan include: reuniting the City with its waterfront, a working waterfront; a revitalized Port; a diversity of activities and people; access along the waterfront; an evolving waterfront, mindful of its past and its future; urban design worthy of the waterfront setting; and economic access to reflect the diversity of San Francisco. The objectives for the Northeast Waterfront Subarea include the following: activate this subarea with an array of uses which establish a daytime and nighttime presence, but are not primarily tourist oriented; protect and enhance the historic maritime character of the area; and provide new public access amenities which highlight newly created points of interest. Port staff gave significant weight to the creation of a development which establishes a daytime and nighttime presence, but which is not primarily tourist oriented.

Port staff also considered the policy of the Waterfront Plan which strongly encourages that new commercial development on the piers are to be mixed-use developments, which include maritime, open space and public access amenities. In addition, Port staff considered the distinctive configuration of Piers 27/29, including: the unique clear-span structure of the Pier 27 shed; the large open space areas around the perimeter and between Piers 27/29; and the proposed location (pursuant to the Special Planning Area Study) of the new major public open space at the south end of Pier 27. Finally, Port staff considered the interest expressed by potential developers as to the uses which could be appropriately developed on the site and which could not be developed on other sites.

Mr. Osmundson pointed out that the Waterfront Land Use Plan includes for each subarea of the waterfront a chart that lists very fundamental and basic information that was required to be developed in Proposition H, i.e. what are the acceptable and unacceptable land uses for the Port of San Francisco lands. Page 96 of the Waterfront Land Use Plan lists the acceptable uses for Pier 27/29, including cargo shipping, ferry & excursion boats, historic ships, maritime office, maritime support services, passenger cruise ships, temporary and ceremonial berthing, water taxis, open space, public access and commercial uses. The list of acceptable commercial uses for this pier includes assembly and entertainment, general office space, museums, parking, retail & restaurants, recreational enterprises, wholesale trade and promotion center and community facilities. The recreational enterprises in the Waterfront Plan includes the following activities:

Recreational Boating and Water Use - Primary Support & Ancillary Facilities for recreational boating and other water sport enthusiasts, swimmers, kayakers and wind surfers including but not limited to sailing center for yachting events, swimming, rowing and boating clubs, marinas, visiting boats, docks and moorings, boat rental facilities, boat launches, fueling stations, repair & dry storage facilities, administrative functions, visitor boat trailer and employee parking, public restrooms and other public facilities.

Recreational Enterprises – facilities for non-maritime, recreation oriented activities including but not limited to athletic fitness facilities, indoor/outdoor sports courts, jogging tracks, health and fitness centers and other non-maritime recreation activities.

Based upon this review, Port staff believed that the most appropriate public trust development for Piers 27/29 is a mixed-use active recreation development with ancillary uses. Port staff recommends that the Port Commission authorize staff to commence the process prescribed in the Waterfront Land Use Plan, which will include the formation of an advisory group to provide input and guidance to Port staff in the preparation of an RFP for a mixed-use active recreation development with ancillary uses. Port staff also recommends that consideration be given to including Piers 29-½ through 31-½ in the RFP.

Prior to issuing the RFP, Port staff will seek specific authorization from the Port Commission to issue the RFP. Subsequent approval of any development project pursuant to the RFP will not be sought by Port staff until the Piers 15/29 Special Area Planning Study is completed. The Special Planning Study has been ongoing for two years with BCDC staff, Port staff and Save the Bay representatives meeting extensively to establish the objectives and alternatives.

If the Port Commission approves Resolution No. 99-25, Port staff intends to establish a Northeast Waterfront Advisory Group which would provide input and guidance to Port staff on the development concept to be included in the RFP for a mixed-use active recreation development project at Piers 27/29, and perhaps also Piers 29-½ to 31-½. This development concept will be impacted by the results of the Piers 15-29 Special Planning Area Study. The Northeast Waterfront Advisory Group will also advise Port staff on this Special Planning Area Study. Port staff will make another informational presentation to the Port Commission as to the membership of this advisory group after it is formed, but before it convenes.

Jennifer Clary, San Francisco Tomorrow, indicated that the developers have already given their input but the public has not. She suggested that an advisory group be established and have the advisory group develop the uses they feel will work for the northern waterfront. Pier 27/29 is going to be the focal point in the northern waterfront. It is the second largest pier in the area. There are no historic structures or bulkhead buildings to be concerned with. Something amazing and fantastic can be done in this area. As in the case of the hotel development project, they have already been told what the Port wants. The advisory group is going to be given narrow parameters and there will be no real public input. She hoped that the Commission would address the concerns enumerated in SFT's letter and make this an open and public process. She also suggested the Port consult with the design review board who has great ideas on how projects work and how public access should be handled.

Ernestine Weiss agreed with Jennifer Clary's comments. She asked if the skateboarders are included in the fitness program. Rumor has it that Rec. & Park has their eye on Pier 27/29. She also asked that the concrete benches at Pier 7 and along the waterfront be demolished to discourage the skateboarders from ruining the waterfront. She asked if the Port would generate any revenues for the skateboarding activity on the pier.

Mr. Smith, Director of Real Estate, indicated that no one has contacted him regarding the use of skateboards on the waterfront nor the piers being taken over by the Rec. & Park Department. Port staff has not discussed the different options available in the development of the piers.

Commissioner Brandon asked if there are any tenants located Pier 29-½ and 31-½. Mr. Osmundson replied that Pier 29-½ and Pier 31-½ is leased to a warehousing company, which will be vacating the premises this month.

Commissioner McCarthy acknowledged receipt of SFT's letter. With regard to SFT's suggestion of a publicly noticed committee advisory, Commissioner McCarthy indicated that if Port staff utilize a mailing system, it would take care of the public notice. With regard to giving the Advisory Committee the task of developing a list of accepted uses for Piers 27/29, a lot of people were involved in the Waterfront Land Use Plan. A great deal of time and effort has already been spent looking at those pieces of properties in great detail and acceptable uses were identified. It does not make sense to go back and review the properties and come up with another set of acceptable uses. With the committee's input, if there were extraordinary use such as museum, which is not practical but an acceptable use, discussion would take place. At this point however, the acceptable uses have been reviewed and analyzed. Recreational is the most open and broad use that will give the most public access and will be there for San Franciscans as opposed to a tourist destination. She asked staff to consider SFT's suggestion that the Port mail to all the businesses and residents within four blocks of the area as well as a mailing to the Planning Department's list of neighborhood organizations. If all the meetings are open to the public, interested parties will be in attendance.

ACTION: Commissioner Hardeman moved approval; Commissioner Lee seconded the motion. All of the Commissioners were in favor; Resolution No. 99-25 was adopted.

9. FINANCE & ADMINISTRATION

10. NEW BUSINESS / PUBLIC COMMENT

Jennifer Clary, San Francisco Tomorrow, thanked the Port for including the calendar of Port meetings. She inquired about the scheduled meetings of the design review board as well as the Water Quality Advisory Group. Mr. Osmundson replied that the Environmental Water Quality Advisory Committee meeting is scheduled for 9 a.m. on Thursday, April 29 at Scoma's Restaurant. The committee schedules their next meeting at the conclusion of each meeting. Mr. Osmundson indicated that the Design Advisory Committee does not have any scheduled meeting in May. He also noted that from hereon, a list of all Port public meetings would be sent out with the agenda notice of the Port Commission's second meeting of the month.

11. EXECUTIVE SESSION

A. Vote on whether to hold closed session to confer with Legal Counsel and Real Property Negotiator.

ACTION: Commissioner Hardeman moved approval; Commissioner Lee seconded the motion. All of the Commissioners were in favor.

At 5:10 p.m., the Commission Secretary announced that the Commission would withdraw to executive session to discuss the following:

B. CLOSED SESSION

(1) CONFERENCE WITH LEGAL COUNSEL REGARDING PROPOSED SETTLEMENT: This is specifically authorized under California Government Code Section 54956.9.

a. Proposed settlement of existing litigation with Phil Gatine and Crushcon, Inc. in San Francisco Superior Court Case Nos. 300-383, 165-348, 166-321 and 166-322.

12. RECONVENE IN OPEN SESSION

At 5:30 p.m., Commissioners McCarthy, Brandon, Hardeman and Lee returned from executive session and convened in open session.

ACTION: Commissioner Brandon indicated that the Port Commission approved the terms of a settlement with Crushcon in the following unlawful detainer cases filed in the San Francisco Superior Court: Case No. 300-383, 165-348, 166-321 and 166-322. The terms of the settlement agreement will be available to the public upon the approval and execution of the Settlement Agreement by all of the parties to litigation.

ACTION: Commissioner Brandon moved approval to not disclose any other information discussed in the executive session. Commissioner Hardeman seconded the motion. All of the Commissioners were in favor.

The meeting was adjourned at 5:32 p.m.

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SAN FRANCISCO
PORT COMMISSION

REGULAR MEETING
4:00 P.M., TUESDAY, MAY 11, 1999
FERRY BUILDING, SUITE 3100
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AGENDA

1. **ROLL CALL**

2. **APPROVAL OF MINUTES** - April 27, 1999 Regular Meeting

3. **EXECUTIVE**

   A. Executive Director's Report

      (1) New Tenants Information Package

4. **CONSENT CALENDAR**

   A. Approval of Monthly Parking Stall Rate Schedule. (Resolution No. 99-32)

5. **MARITIME**

   A. Approval of five-year Marine Terminal Agreement with Trans-Pacific Lines Ltd. at Pier 80. (Resolution No. 99-33)

6. **REAL ESTATE**

7. **FACILITIES & OPERATIONS**

8. **PLANNING & DEVELOPMENT**

   A. Authorizing the Executive Director of the Port of San Francisco to accept and expend $400,000 of State funds from the State of California Department of Boating and Waterways for marina pollution prevention and water quality improvements at the Hyde Street Fishing Harbor. (Resolution No. 99-34)

9. **FINANCE & ADMINISTRATION**

10. NEW BUSINESS / PUBLIC COMMENT

Public comment is permitted on any matter within Port jurisdiction and is not limited to agenda items. Public comment on non-agenda items may be raised during New Business/Public Comment. Please fill out a speaker card and hand it to the Commission Secretary. If you have any question regarding the agenda, please contact the Commission Secretary at 274-0406.

11. EXECUTIVE SESSION

A. Vote on whether to hold closed session to confer with Legal Counsel and Real Property Negotiator.

B. CLOSED SESSION

(1) CONFERENCE WITH LEGAL COUNSEL REGARDING ANTICIPATED AND EXISTING LITIGATION MATTERS:

a. Discuss significant exposure to litigation pursuant to subdivision (b) of the California Government Code Section 54956.9 (two cases).

b. Discuss existing litigation matter pursuant to subdivision (a) of the California Government Code Section 54956.9 (one case).

- Peer Inn, Federal Bankruptcy Court, Case No. 98-31586TC

12. RECONVENE IN OPEN SESSION

A. Possible report on actions taken in closed session pursuant to Government Code 54957.1(a)2 and San Francisco Administrative Code 67.14(b)(2).

B. Vote in open session on whether to disclose any or all executive session discussions pursuant to Government Code 54957.1(a)(2) and San Francisco Administrative Code 67.14(b)(2).

13. ADJOURNMENT

Revised Date – May 6, 1999

MAY 1999

CALENDAR OF PORT MEETINGS - OPEN TO THE PUBLIC

Date	Time	Group	Location
Monday, May 3	5:00 pm	Southern Waterfront Adv. Comm.	Executive Conference Rm. #3100, Ferry Building
Tuesday, May 4	9:00 am	Pier 45 Advisory Group	Scoma's Restaurant
Wednesday, May 5	1:30 pm	Bryant Street Pier Advisory Group	Port Commission Rm. #3100, Ferry Building
Thursday, May 6	9:00 am	Pier 45 Advisory Group	Scoma's Restaurant
Tuesday, May 11	4:00 pm	Port Commission Meeting	Port Commission Rm. #3100, Ferry Building
Wednesday, May 12	**12:00 pm***	Bryant Street Pier Advisory Group	Port Commission Rm. #3100, Ferry Building
Monday, May 17	5:30 pm	Southern Waterfront Adv. Comm.	Port Commission Rm. #3100, Ferry Building
Tuesday, May 18	9:00 am	Pier 45 Advisory Group	Scoma's Restaurant
	11:00 am	Waterfront Design Adv. Comm.	Port Commission Rm. #3100, Ferry Building
Wednesday, May 19	**12:00 pm***	Bryant Street Pier Advisory Group	Port Commission Rm. #3100, Ferry Building
Tuesday, May 25	9:00 am	Pier 45 Advisory Group	Scoma's Restaurant
	4:00 pm	Port Commission Meeting	Port Commission Rm. #3100, Ferry Building
Thursday, May 27	9:00 am	Fisherman's Wharf Environmental Quality Advisory Committee	Scoma's Restaurant

* Time changed from April 27th calendar.

NOTES:

The San Francisco Port Commission meets regularly on the 2nd and 4th Tuesday of the month at 4:00 pm. Contact Amy Quesada, Port Commission Secretary at 274-0406, to be placed on the mailing list for Commission meeting agendas.

The Rincon Point-South Beach CAC meets regularly on the 2nd Wednesday of each month at 4:00 pm. Contact Amy Neches, Redevelopment Agency at 749-2450, for more information.

Port Website

Check out the Port's Website at www.sfport.com

Questions/Contacts

Pier 45 Advisory Group	Kirk Bennett	274-0545
Bryant Street Pier Advisory Group	Anne Cook	274-0483
Southern Waterfront Advisory Committee	Braj Norris	274-0540
Port of San Francisco Reception		274-0400

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PORT OF SAN FRANCISCO

Ferry Building
San Francisco, CA 94111
Telephone 415 274 0400
Fax 415 274 0528
www.sfport.com

MEMORANDUM

May 1, 1999

TO: MEMBERS, PORT COMMISSION
Hon. Denise McCarthy, President
Hon. Kimberly Brandon, Vice-President
Hon. Michael Hardeman, Commissioner
Hon. Pius Lee, Commissioner
Hon. Brian Thomas McWilliams, Commissioner

FROM: Douglas F. Wong
Executive Director

SUBJECT: Approval of monthly Parking Stall Rate Schedule.

DIRECTOR'S RECOMMENDATION: APPROVE MONTHLY PARKING STALL RATE SCHEDULE

BACKGROUND

The Port operates a number of parking facilities where it rents individual parking stalls on a monthly basis. A map is attached that shows the location of those facilities at which the Port currently offers this monthly parking. On July 22, 1997, the Port Commission approved a Monthly Parking Stall Rate Schedule by Resolution No. 97-64. This Monthly Parking Stall Rate Schedule was approved by the Port Commission with the understanding that Port staff would periodically present to the Port Commission for its review and approval revised rate schedules for this monthly parking.

Port staff recently conducted a survey of parking facilities which offer monthly parking off of Port property, but in the vicinity of the facilities on Port property where the Port rents monthly parking stalls. The survey determined that the monthly parking stall rates for most the Port facilities are less than the current market rates.

THIS PRINT COVERS CALENDAR ITEM NO. 4A

PROPOSAL

Port staff recommends that the Port Commission approve new monthly parking rates as shown on the Parking Stall Rate Schedule, attached as Exhibit A, which indicates by facility the current monthly parking stall rates and the proposed new monthly parking stall rates. Please note that this schedule indicates the parking rates charged parking permittees, which includes the 25% parking tax that the Port passes through to the City.

This proposal will increase the monthly rates for most facilities by $15 to $35 per stall. While this represents increases of 8.33% to 30.43%, consequently, the per annum increase for most spaces is in the range of $180 to $420.

No increase is proposed for the parking in Pier 45, Shed C, in that this facility supports the fish wholesalers and processors in Sheds B and D. These stall rates were set for this fishing industry support use, based upon a market survey conducted by Sedway & Associates to establish the rental rates for the fishing industry facilities at Pier 45. Port staff has concluded that these rates are currently appropriate for this use, and should not be increased at this time.

Additionally, Port staff recommends that it be authorized to grant discounts of 10% for entities leasing ten or more parking spaces, and Port staff further recommends that it also be granted the authority to grant discounts of up to 20% for individual parking stalls due to their configuration or location within a facility which makes them less desirable than other stalls in the same facility.

It should be noted that this Parking Stall Rate Schedule applies only to the parking facilities that the Port directly operates on a monthly basis. It will not apply to parking facilities which are leased in their entirety to an independent parking concessionaire. The rent paid to the Port for such concessions are established by bidding these opportunities. Also this schedule will not apply to parking lots which are leased to retail businesses on Port property for use by their customers and/or employees. The minimum rental rates for such facilities are established by the Leasing Parameters set by the Port Commission. Finally, this schedule will not apply to parking rates charged to Port employees.

RECOMMENDATION

Port staff recommends that the Commission adopt the attached resolution and authorize Port staff to enter into parking contracts pursuant to the Parking Stall Rate Schedule, attached hereto as Exhibit A.

Prepared by: Mark Lozovoy, Sr. Property Manager

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 99-32

WHEREAS, Charter Section B3.581 empowers the Port Commission with the power and duty to use, conduct, operate, maintain, manage, regulate and control the Port area of San Francisco; and

WHEREAS, under Charter Section B3.581(g) leases granted or made by the Port Commission shall be administered exclusively by the operating forces of the Port Commission; and

WHEREAS, Port staff has conducted a market survey of parking facilities which rent monthly parking stalls off of Port property in the vicinity of parking facilities which the Port operates and rents individual parking stalls on a monthly basis; now therefore be it

RESOLVED, the Port Commission hereby approves the Parking Stall Rate Schedule set forth in Exhibit A attached to this Resolution, and authorizes Port staff to negotiate discounts of up to 10% for entities leasing ten or more stalls and authorizes Port staff to negotiate discounts of up to 20% for individual stalls whose configuration or location within a facility makes the individual stalls less desirable than other parking stalls in the same facility.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of May 11, 1999.

_____
Secretary

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EXHIBIT A

PORT OF SAN FRANCISCO
MONTHLY PARKING STALL RATE SCHEDULE

Facility	Current Monthly Rate	Proposed Monthly Rate
South side of Ferry Building	$180.00	$200.00
Pier 1/2	$180.00	$200.00
Pier 1 (inside)	$200.00	$220.00
Pier 1 (motorcycle parking)	$25.00	$30.00
Pier 3	$115.00	$150.00
Pier 9 (inside)	$180.00	$195.00
Pier 9 (marginal wharf)	$150.00	$175.00
Pier 15 (marginal wharf)	$150.00	$175.00
Pier 17 (marginal wharf)	$150.00	$175.00
Pier 27 (valley)	$150.00	$175.00
Pier 29 (valley)	$150.00	$175.00
Pier 29 (motorcycle parking)	$25.00	$30.00
Pier 45, Shed C	$45.00	$45.00
SWL 303	$100.00	100.00

Effective date: May 11, 1999

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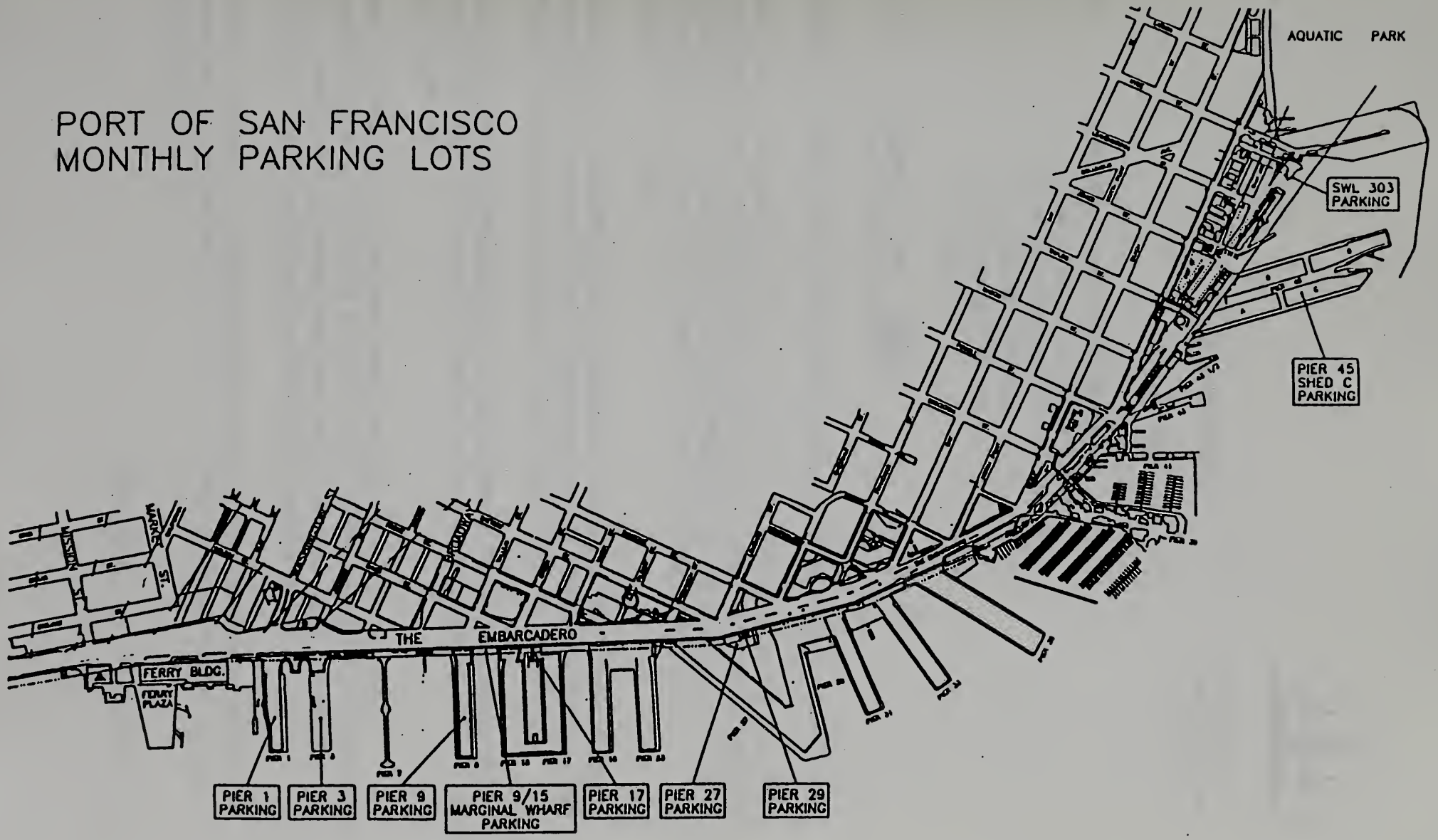
PORT OF SAN FRANCISCO
MONTHLY PARKING LOTS



PORT OF SAN FRANCISCO

Ferry Building
San Francisco, CA 94111
Telephone 415 274 0400
Fax 415 274 0528
www.sfport.com

MEMORANDUM

May 6, 1999

TO: MEMBERS, PORT COMMISSION
Hon. Denise McCarthy, President
Hon. Kimberly Brandon, Vice President
Hon. Michael Hardeman
Hon. Brian McWilliams
Hon. Pius Lee

FROM: Douglas F. Wong
Executive Director

SUBJECT: Approval of the Trans-Pacific Lines Ltd. Marine Terminal Agreement

DIRECTOR'S RECOMMENDATION: APPROVE THE 5-YEAR MARINE TERMINAL AGREEMENT WITH TRANS-PACIFIC LINES LTD. AT PIER 80 AND AUTHORIZE THE EXECUTIVE DIRECTOR TO SEEK APPROVAL FROM THE CITY'S RISK MANAGER TO AMEND THE AGREEMENT TO INCLUDE A MUTUAL INDEMNITY CLAUSE.

Effective May 1st, Trans-Pacific Ltd. commenced a new transpacific container service, nominating Pier 80 as their Northern California port of call, offering a bi-weekly service between San Francisco, Los Angeles and Busan, Manila, PRC, and Hong Kong.

The Port has concluded negotiations for a five-year Marine Terminal Agreement with Trans-Pacific Lines Ltd., marking the first fully containerized transpacific service to call at the Port since 1995.

Material provisions of the agreement include the following: (i) five year term, commencing on May 1, 1999 with the ability of either party to terminate as of each April 30th; (ii) reduced wharfage and dockage rates based on the total annual volume; (iii) nomination of Pier 80 as their regular published Bay Area port of call.

If Marine Terminals Corp. ceases operations at Pier 80, the Agreement also allows termination by either Port or Carrier if they are unable to reach agreement with a new management contractor.

This Print Covers Calendar Item No. 5A

The Agreement contains an indemnity that Trans-Pacific Lines Ltd. agrees to indemnify the Port and the City for claims resulting from its acts or omissions at the facility. The Port's standard exculpation clause, under which the Carrier waives all claims against the Port and the City including claims due to the Port or City's negligence, has been deleted from these Agreements pursuant to Trans-Pacific Lines Ltd.'s request. In addition, Trans-Pacific Lines Ltd. has requested an indemnity from the Port and the City against claims caused by the Port or City's negligence. The City's Charter requires any indemnities by the Port or the City to be approved by the City's Risk Manager. The Agreement provides that upon approval by the City's Risk Manager, parties will sign an amendment to the Agreements to include the Port and City's indemnity. If the City's Risk Manager disapproves the indemnity, Trans-Pacific Lines Ltd. may terminate their Agreements upon 30-days prior written notice.

Estimated annual revenue for the agreements are approximately $650,000 from wharfage, dockage and crane rental, which is to be shared with MTC per our management agreement with them. A copy of the agreement is attached hereto.

Prepared by: Peter Dailey, Director of Maritime

PORT COMMISSION
CITY & COUNTY OF SAN FRANCISCO

RESOLUTION NO. 99-33

WHEREAS, Trans-Pacific Lines Ltd. desire to enter into Marine Terminal Agreement(s) with the Port, for use of Port's marine terminal facilities; and

WHEREAS, said Agreement grants Trans-Pacific Lines Ltd. reduced dockage and wharfage charges for the utilization of the Carriers of Pier 80 as their regularly scheduled Northern California port of call; and

WHEREAS, the Agreement requires the parties to enter into an amendment to include an indemnity clause by the Port and the City in favor of Trans-Pacific Lines Ltd., upon the approval of the San Francisco City's Risk Manager; now, therefore, be it

RESOLVED, that the San Francisco Port Commission approves the Marine Terminal Agreement with Trans-Pacific Lines, Ltd., in substantially the form of which is on file with the Secretary of the Port Commission for this agenda item; and, be it further

RESOLVED, that the Port Commission authorizes the Executive Director (i) to enter into the Agreements; (ii) to make any necessary refinements to the Agreements as are approved by the City Attorney; (iii) to obtain approval from the City's Risk Manager to amend the agreement to include a Mutual Indemnity Clause and to execute such amendment; (iv) to file the Agreements with the Federal Maritime Commission; and (v) to take all such further actions as are necessary to put the Agreements into effect.

I hereby certify that the foregoing resolution was adopted by the San Francisco Port Commission at its meeting of May 11, 1999.

_____
Secretary

CITY AND COUNTY OF SAN FRANCISCO

Willie L. Brown, Jr., Mayor

MARINE TERMINAL AGREEMENT

BETWEEN

TRANS-PACIFIC LINES LTD

AND

THE CITY AND COUNTY OF SAN FRANCISCO,

A MUNICIPAL CORPORATION, ACTING BY AND THROUGH

THE SAN FRANCISCO PORT COMMISSION

DATED

APRIL 27, 1999

SAN FRANCISCO PORT COMMISSION

DENISE McCARTHY, PRESIDENT
KIMBERLY BRANDON, VICE PRESIDENT
MIKE HARDEMAN, COMMISSIONER
BRIAN McWILLIAMS, COMMISSIONER
PIUS LEE, COMMISSIONER

DOUGLAS WONG
EXECUTIVE DIRECTOR

MARINE TERMINAL AGREEMENT

This non-exclusive Marine Terminal Agreement (the "Agreement") is entered into as of this first day of May, 1999 by and between the City and County of San Francisco, a municipal corporation ("City"), acting by and through the San Francisco Port Commission ("Port") and Trans-Pacific Lines Ltd., a Hong Kong corporation.

WITNESSETH

WHEREAS, City owns certain property located in the City and County of San Francisco pursuant to an act of the legislature of the State of California commonly known as the "Burton Act" (Statutes 1968, Chapter 1333); and

WHEREAS, Pursuant to the Burton Act and the City's Charter, Port exercises jurisdiction and control over said property; and

WHEREAS, Carrier wishes to use a portion of said property which has been improved with a marine terminal for the purpose of moving waterborne cargo through the Port; and

WHEREAS, Port desires to have Carrier use the property for said uses, with said uses being consistent with the public trusts upon which the property is held;

NOW, THEREFORE, in consideration of the mutual covenants and agreements set forth herein, Port and Carrier agree as follows:

ARTICLE I. CARRIER'S TERMINAL RIGHTS

Section 1.01 Right to Use Facilities

Carrier shall have a non-exclusive right to use Pier 80, located at the Port of San Francisco in the City and County of San Francisco (the "Facilities") for the purposes set forth in Article III of this Agreement.

Section 1.02 Right to Transfer

If during the Term Port decides to move the location of its marine terminal to another location on Port property, Port shall give Carrier sixty (60) days prior written notice ("60-day Notice") of its decision. Carrier shall notify Port within thirty (30) days after receipt of Port's 60-day Notice, stating its decision to move to such alternative location, or its intent to terminate this Agreement. If Carrier decides to move to the alternate location, such transfer shall be embodied in an amendment to this Agreement, which shall not be effective until filed with the Federal Maritime Commission and deemed effective under the Shipping Act of 1984. If Carrier decides to terminate the Agreement, such termination shall be effective upon the sixtieth (60th) day after

Port's 60-day Notice.

It is further understood that if Carrier agrees to move to the alternate Port location, and if the transfer involves a different terminal operator than the operator listed in section 5.01 under this Agreement, Carrier's notice may be conditional upon negotiating new terminal services arrangements with the new terminal operator. Carrier shall use its best efforts in good faith to negotiate new terminal service arrangements with the terminal operator at the new facility. If Carrier after such best efforts is reasonably unable to complete such terminal service arrangements, Carrier may terminate this Agreement on no less than thirty (30) days' prior written notice to the Port may. If Carrier is unable to conclude a new agreement prior to the expiration of Port's 60-day notice, Port shall allow Carrier a reasonable extension of time to conclude its negotiations; provided, however, Port shall not be required to make the original marine terminal available to Carrier after the expiration of Port's 60-day Notice.

Carrier's failure to give notice as provided herein shall be deemed to be an acceptance of the new marine terminal location.

ARTICLE II. TERM

Section 2.01 Commencement of Term

The term of this Agreement shall commence on the first day of the month immediately following the occurrence of all of the following events (the "Commencement Date"):

(a) The filing with and approval of this Agreement by the Federal Maritime Commission, or effectiveness without approval pursuant to the Shipping Act of 1984, or a ruling by the Federal Maritime Commission that such approval is not required; and

(b) Approval of this Agreement by the San Francisco Port Commission.

Port will notify Carrier of the Commencement Date in writing when all of the approvals set forth above have been obtained, however failure to do so shall not affect the validity of this Agreement.

Section 2.02 Term Termination

This Agreement shall terminate five years from the Commencement Date, unless terminated earlier as provided for herein.

ARTICLE III. USE OF THE FACILITIES

Section 3.01 Permitted Uses

Carrier shall use the Facilities as its published regularly scheduled Northern California port of call for its service between the U.S. West Coast and Asia for the berthing of Carrier's vessels and the loading and discharging of cargoes therefrom and operations ancillary thereto, and for no other purposes.

ARTICLE IV. COMPENSATION

Section 4.01 When Tariff Provisions Apply

Except as expressly set forth in Section 4.02 below, the provisions of San Francisco Port Commission Tariff No. 4, publishing rules and regulations and rates and charges for wharfinger services at property used as marine terminals at the Port of San Francisco, and amendments and subsequent reissues thereof (collectively, "Tariff"), shall apply to Carrier's use of the Facilities pursuant to this Agreement. Carrier agrees to be bound by and comply with the provisions of the Tariff.

Section 4.02 Fees for Use

As consideration to Carrier for the use of the Facilities as Carrier's regularly scheduled Northern California port of call the following provisions shall govern the amount of dockage and wharfage due to Port from Carrier as a result of Carrier's use of the Facilities.

(a) Dockage:

Carrier shall pay 60% of the applicable tariff for dockage charges in effect on April 1, 1999 which would otherwise be due to Port pursuant to the provisions of the Tariff.

(b) Wharfage/Full Containers:

Wharfage on full containers shall be paid by Carrier according to the following schedule, base on annual throughput volume per twelve-month Contract Year (as hereinafter defined) of this Agreement:

Wharfage Rate - Containers

$45.00 per Unit

$35.00 per Unit for cargo originating or delivered to an East Bay Point ***(carrier will supply Port/MTC with documentation verifying East Bay point within five business days of vessel sailing for billing purposes)***

(c) Wharfage on empty containers will be $0.00

(d) Wharfage/Breakbulk:

Breakbulk - General	$ 3.09 R/T
Breakbulk - Project Cargo	2.40 per 1000 Kgs

(e) Free Time will be granted as listed below. It is agreed that this free time is subject to approval of the carrier and will not be granted by the Port to any third party without prior approval:

15 working days

For the purposes of this section, a "Contract Year" shall commence on each May 1 and shall end on April 30 of the following year. Notwithstanding the Commencement Date, the first Contract Year of this Agreement shall be from May 1, 1999 to April 30, 2000.

Section 4.03 Rate Adjustments

Rates stated in Section 4.02 will be subject to adjustment at the same percentage and at the same time as those authorized by the California Association of Port Authorities for the Port's Tariff No. 4.

Section 4.04 Calculation of Initial Fees

Within ninety days after the Commencement Date, Port and Carrier shall mutually determine the fees due the Port under Section 4.02 above, calculated as if this Agreement had commenced on May 1, 1999. Any amount that Carrier paid Port which exceeds the amount which would have been charged under the preceding sentence will be refunded to Carrier after the Commencement Date.

ARTICLE V. MANAGEMENT OF FACILITIES

Section 5.01 Management Agreement

Carrier acknowledges and agrees that as of the Commencement Date, the responsibility of managing the Facilities has been assigned by Port to Marine Terminals Corp. (MTC) pursuant to that certain Management Agreement between MTC and Port dated December 1997.

ARTICLE VI. TERMINATION

Section 6.01 Termination by Governmental Action

In the event the United States of America or the State of California, or any other governmental authority, shall, by condemnation or otherwise, take title, possession or the right to possession of the Facilities, or any part thereof, Port may, at its option, and, if the taking has substantially impaired Carrier's use of the Facilities, Carrier may, at its option, terminate this Agreement as of the date of such taking, and all further obligations of the parties shall end, except as to liabilities which shall have accrued prior to the date of taking.

Section 6.02 Termination by Judicial Action

In the event any court having jurisdiction over the subject matter of this Agreement shall render a decision which has become final and which will prevent the performance by

Carrier or Port of their obligations hereunder, then either party may terminate this Agreement upon thirty (30) days written notice, and all rights and obligations hereunder (with the exception of any undischarged rights and obligations that accrued prior to the effective date of termination) shall thereupon terminate.

Section 6.03 Right of Termination

Carrier shall have the right to terminate this Agreement without penalty effective on May 1, 2000 and on each May 1 thereafter throughout the Term (each "Termination Date"). Carrier must exercise such termination right by delivering written notice of termination from or to Port or Carrier at least sixty (60) days prior to the applicable Termination Date upon which Carrier desires to terminate. In the event Carrier fails to give timely notice, Carrier may not terminate this agreement until the following Termination Date with proper notice as set forth herein.

Section 6.04 Termination by Resignation of Terminal Contractor

In the event Management Contractor, as defined in Section 5.01, gives Port notice of its intention to cease operations at the Port, Port shall notify Carrier of such notice within ten (10) days. Port shall make its best effort to negotiate an agreement with a new management contractor. In the event Port is unable to successfully conclude such an agreement within sixty (60) days after receiving such notice from Management Contractor, the Port may, at its option, terminate this Agreement upon ninety (90) days prior written notice to Carrier, and all rights and obligations hereunder (with the exception of any undischarged rights and obligations that accrue prior to the effective date of termination) shall thereupon terminate.

It is further understood that if in such event a new management contractor is appointed other than defined in Section 5.01 under this agreement, Carrier shall use its best efforts in good faith to negotiate new terminal services arrangements with the new management contractor and if Carrier after such best efforts is reasonably unable to complete such terminal services arrangements, Carrier may terminate this Agreement on not less than sixty (60) days prior written notice to the Port.

ARTICLE VII. MISCELLANEOUS PROVISIONS

Section 7.01 Taxes

A possessory interest subject to property taxation may be created by this Agreement, and it is understood by the Carrier and the Port that the Port of San Francisco will be responsible for the payment of property taxes levied on such possessory interest. Carrier agrees to provide to Port all information requested by Port for tax purposes, including but not limited to the information described in California Revenue and Taxation Code Section 480.5.

Section 7.02 Books and Records

Carrier shall keep full and accurate books, records and accounts relating to all its operations upon the Facilities, including without limitation, the tonnage of revenue cargo handled, vessel occupancy of the berths and containers handled. Port shall have the right and privilege through its representatives and at all reasonable times to inspect such books, records and accounts. If such books, records and accounts are not kept and maintained within a 25-mile radius of the City and County of San Francisco, Carrier shall make such books, records and accounts available for inspection within said 25-mile radius.

Section 7.03 Nondiscrimination.

Carrier shall not, in the use of the Facilities, discriminate against any person or group of persons because of race, color, creed, national origin, ancestry, age, sex, sexual orientation, disability or acquired immune deficiency syndrome (AIDS) or AIDS-related condition (ARC). The provisions of Chapter 12C of the San Francisco Administrative Code, relating to nondiscrimination by parties contracting with the City and County of San Francisco, are incorporated herein by this reference and made a part hereof as though fully set forth herein. Carrier agrees to comply with all provisions of Chapter 12C of the San Francisco Administrative Code which apply to Carrier's use of the Facilities pursuant to this Agreement.

Section 7.04 Hazardous Materials, Etc.

In addition to provisions in the Tariff governing discharge of oil upon navigable waters (Item 113) and explosives and other hazardous and dangerous cargo (Item 117), Carrier will comply with the labeling, packaging, storage and documentation requirements for hazardous materials contained in Title 49, Code of Federal Regulations Parts 100-195, United States Department of Transportation Regulations and the marine pollution regulations contained in Title 33, Code of Federal Regulations Parts 151-157, Navigation and Navigable Waters. The references to certain laws and regulations set forth above shall apply to any modification, re-issues or amendments to said laws or regulations. In addition, Carrier will report immediately all accidents involving spills of corrosives, explosives or other flammable or dangerous cargoes to the appropriate federal, state, local and Port authorities. As used in this Agreement, hazardous materials" shall mean any substance, waste or material which has been determined by any state, federal or local government authority to be a hazardous or toxic substance or material including without limitation, any hazardous substance as defined in Section 101 (14) of CERCLA (42 USC Section 9601 (14)) or Section 25281 or 25316 of the California Health and Safety Code, and any hazardous material as defined in Section 25501 of the California Health and Safety Code, and any additional substances or materials which at such time are classified or considered to be hazardous or toxic under any federal, state or local law, regulation or other exercise of governmental authority. If the presence of any hazardous material on the Facilities caused or permitted by Carrier results in any contamination of the Facilities, Carrier, at its sole expense, shall promptly take all action that is necessary to return the Facilities to the condition existing prior to the introduction of such hazardous material onto the Facilities; provided that Port approval of such actions shall first be obtained, which approval shall not unreasonably withheld as long as such actions could not potentially have any material adverse effect upon the Facilities. Carrier's obligations hereunder shall survive the termination of this Agreement.

Section 7.05 Exculpation and Indemnity

(a)Exculpation. Carrier, as a material part of the consideration to be rendered to Port, hereby waives any and all claims against the City and Port, and their officers, agents and employees, and agrees to hold Port and City and their officers, agents and employees harmless from any claims for damages to goods, wares, goodwill, merchandise, equipment or business opportunities and by persons in, upon or about said Facility for any cause arising at any time, including all claims arising from the joint or concurrent negligence of Port or City, or their officers, agents, or employees, but excluding any intentionally harmful acts committed solely by Port or City.

(b)General Indemnity. Carrier agrees to indemnify, hold harmless and defend, the City and Port and their officers, agents and employees, against any and all claims, judgments, losses, costs, damages, penalties, fines or liabilities of whatever kind (collectively "Claims") arising in any manner out of any injury to or death of any person or damage to or destruction of any property occurring in, on, under or about the Facilities, or any part thereof, whether to the person or property of Carrier, its employees, agents, consultants, contractors, or subcontractors (collectively "Agents"), or third persons, resulting from any use or activity of Carrier or its Agents under this Agreement, (ii) any failure by Carrier to faithfully observe or perform any of the terms, covenants or conditions of this Agreement, or (iii) the use of the Facilities or any activities conducted thereon under this Agreement by Carrier or its Agents; except only to the extent of Claims resulting directly from the negligence or willful misconduct of the City or Port or either's authorized representative.

(c) Toxics Indemnity. Carrier agrees to indemnify, hold harmless and defend the City and Port and their officers, agents and employees, from and against any and all claims, demands, actions, causes of actions or suit (actual or threatened), losses, costs, expenses, obligations, liabilities, or damages, including interest, penalties, diminution in value of the facilities, engineering consultant and attorneys fees of every kind, nature and description, (collectively "Toxics Claims") resulting from any Release of a Hazardous Material caused by or allowed by Carrier or its agents whether or not the Hazardous Materials at the Facilities were present prior to execution of this Agreement; (ii) any requirement of a regulatory agency for investigation or remediation of any Hazardous Materials at the Facilities arising out of or in connection with the activities under this Agreement; or (iii) any breach of or failure to duly perform or observe any term, covenant or agreement in this Agreement to be performed or observed by Carrier, including but not limited to, any violation of any Environmental Law; except only to the extent of Toxic Claims resulting directly from the negligence or willful misconduct of City or Port or either's authorized representative. "Environmental Laws" means present or future any federal, state or local laws, ordinances, regulations or policies relating to Hazardous Material (including, without limitation, their use, handling, transportation, production, disposal, discharge or storage) or to health and safety, industrial hygiene or environmental conditions in, on, under or about the Permit Area, including, without limitation, soil, air, bay water and groundwater conditions.

(d) The indemnity obligations in paragraph 7(b), 7(c) and 7(e) shall include reasonable attorneys' fees, investigation costs and all other reasonable costs and expenses incurred by the indemnified party from the first notice that any Claim or Toxics Claim is or may be made. The provisions of this paragraph shall survive termination of this Agreement.

(e) Parties agree that subject to the approval of the City's Risk Manager of an indemnity by Port and City in favor of Carrier, the parties will enter into an amendment to this Agreement substantially in the form of Exhibit A attached hereto. If the indemnity is not approved by the City's Risk Manager, then Carrier will have the right to terminate this Agreement upon thirty (30) days prior written notice to Port, to be delivered to Port no later than ten days after the action by the City's Risk Manager disapproving the indemnity.

(f) In addition to Carrier's obligation to indemnify and hold harmless the City and Port, Carrier specifically acknowledges and agrees that it has an immediate and independent obligation to defend the City and Port from any Claim or Toxics Claim which actually or potentially falls within the indemnification provisions of paragraph 7(b) or 7(c), even if the allegations are or may be groundless, false or fraudulent. Carrier's obligations to defend shall arise at the time such Claim or Toxics Claim is tendered to Permittee by City or Port and shall continue at all times thereafter.

Section 7.06 Compliance with Laws.

Carrier, at Carrier's expense, shall comply with all laws, ordinances, judicial decisions, orders and regulations of federal, state, county and municipal governments and the departments, courts, commissions, boards and officers thereof pertaining to Carrier's use of the Facilities in effect either at the Commencement Date or at any time during the term.

Section 7.07 Notices

Any notice, demand or request provided for or permitted to be given pursuant to this Agreement must be in writing and shall be given or served by personal delivery or sent prepaid by either: (a) first-class mail; (b) certified mail with return receipt requested; or (c) overnight delivery service.

Notices shall be addressed as follows:

To Port: Executive Director
Port of San Francisco
Ferry Building, Suite 3100
San Francisco, CA 94111

To Carrier: Jim Carey
Trans-Pacific Lines Ltd.
180 Howard St. - Suite 350
San Francisco, CA 94105

Section 7.08 Waiver.

No waiver by either party at any time of any of the terms, conditions, covenants or provisions of this Agreement shall be deemed or taken as a waiver at any time thereafter of the same or any other term, condition, covenant or provisions herein contained nor of the strict and prompt performance thereof by the party obligated to perform.

Section 7.09 Applicable Law

This Agreement shall be governed by the laws of the State of California.

Section 7.10 Severability

Should any of the covenants, terms, conditions or provisions set forth in this Agreement be held by a court of competent jurisdiction to be illegal or in conflict with any applicable law, the validity of the remaining portions or provisions shall not be affected thereby.

Section 7.11 Amendments

Neither this Agreement nor any of the terms or conditions hereof may be amended, modified or waived, except by an instrument in writing signed by both Carrier and Port and approved by the Federal Maritime Commission if said approval is required.

Section 7.12 Assignment

Carrier may not assign, convey, encumber, or otherwise transfer (collectively "Transfer") this Agreement without the prior written consent of Port, not to be unreasonably withheld. Notwithstanding the foregoing, the term "Transfer" shall not include any partnership, corporation or other entity which controls, is controlled by, or is under common control with Carrier or Carrier's parent (control being defined for such purposes as ownership of at least 50% of the equity interests in, or the power to direct the management of, the relevant entity) or to any partnership, corporation or other entity resulting from a merger or consolidation with Carrier or Carrier's parent, or to any person or entity which acquires substantially all the assets of Carrier as a going concern (collectively, an "Affiliate"), provided that (i) Port receives prior written notice of an assignment, (ii) the Affiliate has proven experience in the operation of the uses contemplated by this Agreement, (iii) the Affiliate remains an Affiliate for the duration of the balance of the term in the event of an assignment, (iv) the Affiliate assumes (in the event of an assignment) in writing all of Carrier's obligations under this Agreement, and (v) Port receives a fully executed copy of an assignment agreement between Carrier and the Affiliate.

Section 7.13 Successors

Subject to the provisions of Section 7.12 above, this Agreement shall be binding upon and shall inure to the benefit of the successors and assigns of the Port and Carrier.

Section 7.14 MacBride Principles-Northern Ireland.

The City and County of San Francisco urges companies doing business in Northern Ireland to move towards resolving employment inequities, and encourages such companies to

abide by the MacBride Principles. The City and County of San Francisco urges San Francisco companies to do business with corporations that abide by the MacBride Principles.

Section 7.15 Tropical Hardwood Ban.

The City and County of San Francisco urges Carrier not to import, purchase, obtain, or use for any purpose, any tropical hardwood or tropical hardwood product.

Section 7.16 Tobacco Products Advertising Ban.

Carrier acknowledges and agrees that no advertising of cigarettes or tobacco products is allowed on any real property owned by or under the control of the City. This prohibition includes the placement of the name of a company producing, selling or distributing cigarettes or tobacco products or the name of any cigarette or tobacco product in any promotion of any event or product. This prohibition does not apply to any advertisement sponsored by a state, local or non-profit entity designed to communicate the health hazards of cigarettes and tobacco products or to encourage people not to smoke or to stop smoking.
//

IN WITNESS WHEREOF, the parties hereto have entered into this Agreement as of the day and year first written above.

PORT

CITY AND COUNTY OF SAN FRANCISCO,
a municipal corporation, acting
by and through the SAN FRANCISCO
PORT COMMISSION

By:_____
Name: Douglas Wong
Title: Executive Director

Date Executed:_____

APPROVED AS TO FORM:

LOUISE H. RENNE
City Attorney

By:_____
Deputy City Attorney

PORT COMMISSION RESOLUTION

No._____

By: _____
Secretary - PORT COMMISSION

FMC No. _____

CARRIER:

Trans-Pacific Lines Ltd., a Hong Kong Corporation

By: _____
Name:
Title:

Date Executed: _____

I have read and understood paragraph 7.14 the City's statement urging companies doing business in Northern Ireland to more towards resolving employment inequities, encouraging compliance with the MacBride Principles, and urging San Francisco companies to do business with corporations that abide by the MacBride Principles.

EXHIBIT A

FIRST AMENDMENT TO MARINE TERMINAL AGREEMENT

This First Amendment to the non-exclusive Marine Terminal Agreement (the "First Amendment") is entered into as of this _____ day of _____, 1999 by and between the City and County of San Francisco, a municipal corporation ("City"), acting by and through the San Francisco Port Commission ("Port") and Trans-Pacific Lines Ltd., a Hong Kong Corporation ("Carrier")

WITNESSETH

WHEREAS, Port and Carrier have previously entered into a Marine Terminal Agreement (the "Agreement") dated April 1, 1999; and

WHEREAS, the parties desire to amend the Agreement to include an indemnity from Port and City in favor of carrier as approved by the City's Risk Manager.

NOW, THEREFORE, in consideration of the mutual covenants, conditions and terms set forth herein, Port and Carrier agree as follows:

1. Indemnity

Section 7.05 of the Agreement, entitled "Exculpation and Indemnity's is amended to add the following clause:

"Port and City agree to indemnify, defend and hold Carrier, its vessels, owners or agents harmless from and against any and all losses, expenses, claims, actions or liabilities to the extent the same is caused by the negligence or willful misconduct of Port or City".

IN WITNESS WHEREOF, the parties hereto have entered into this First Amendment as of the day and year first written above.

PORT

CITY AND COUNTY OF SAN FRANCISCO,
A municipal corporation, acting by and through the SAN FRANCISCO PORT COMMISSION

By: _____
Name: DOUGLAS WONG
Title: Executive Director

Date Executed: _____

CARRIER

Trans-Pacific Lines Ltd., a Hong Kong Corporation

By: _____
Name:
Title:

Date Executed: _____

APPROVED AS TO FORM:

LOUISE H. RENNE
City Attorney

BY: _____
Deputy City Attorney

FMC No. _____

PORT OF SAN FRANCISCO

Ferry Building
San Francisco, CA 94111
Telephone 415 274 0400
Fax 415 274 0528
www.sfport.com

MEMORANDUM

May 6, 1999

TO: MEMBERS, PORT COMMISSION
Hon. Denise McCarthy, President
Hon. Kimberly Brandon, Vice President
Hon. Michael Hardeman
Hon. Brian McWilliams
Hon. Pius Lee

FROM: Douglas F. Wong
Executive Director

SUBJECT: Hyde Street Harbor – Project status report and resolution for retroactive authorization for staff to apply for, accept, and expend up to $400,000.00 in grant funds from the State of California for Hyde Street Harbor water quality improvements.

DIRECTOR'S RECOMMENDATION: APPROVE RESOLUTION FOR RETROACTIVE AUTHORIZATION FOR STAFF TO APPLY FOR, ACCEPT AND EXPEND UP TO $400,000.00 GRANT FUNDS FROM THE STATE DEPARTMENT OF BOATING AND WATERWAYS.

On December 20, 1996, by Resolution No. 96-136, the Port Commission authorized staff to proceed with the design and construction of the Hyde Street Fishing Harbor, a proposed 62-berth harbor located to the east of the Hyde Street Pier. It is part of a series of improvements in the Fisherman's Wharf area collectively known as the Seafood Center that includes: a 1,200 foot breakwater completed in 1986; $11.6 million in earthquake repairs at Sheds B and D at Pier 45 completed in 1995 and other fishing industry related uses on Pier 45; and the harbor itself.

The Port Commission has since authorized staff to advertise the project for construction. Bids are currently scheduled due on June 3, and construction should begin this summer.

THIS PRINT COVERS CALENDAR ITEM NO. 8A

Public comments throughout the design and EIR phases of the project have continually focused on water quality in the Fisherman's Wharf area. After completion of the Draft EIR and public comment period, the Port formed an Environmental Quality Advisory Committee for the Fisherman's Wharf area to address environmental issues associated with water quality. The committee includes representatives from the fishing industry, area merchants, the swimming and boating community, and resource agencies. Recognizing that environmental issues do not stop at jurisdictional lines, the committee is also evaluating the effects of pollution sources outside of Fisherman's Wharf. In addition to meeting with the fishing community to discuss design details of the proposed harbor, Port staff has also met several times with the Environmental Quality Advisory Committee. After many productive meetings the Advisory Committee, project engineer and Port staff recommended inclusion of the following water quality improvements into the project:

Debris Barrier. A debris barrier should be installed between the harbor and the adjacent public swimming area to prevent floatable material from contaminating the swimming area.

Sewage Pumpout. Sewage pump-out should be provided with the following facilities/equipment:

- A fixed pump-out at the fuel dock; and
- A pump-out boat with holding tank to be operated by harbor personnel upon request or need.

Bilge Pumpout. The project should include a multi-faceted bilge pump-out program that will include the following facilities and procedures:

- A fixed pump-out at the fuel dock;
- Use of the pump-out boat with holding tank to be operated by harbor personnel;
- A series of pump-out hydrants along the main walkway of the berth system;
- Free absorbent bilge pads and pad recycling available to all berth holders;
- Bilge inspection by the harbormaster.

Fuel Dock. The existing fuel dock should be retrofitted with an impermeable surface in the fueling area with drainage passing through an oil/water separator prior to discharge into the City sewer system. In addition a new double-walled fuel supply line will be installed.

Water Circulation. The project should include removal of a woodpile breakwater to improve water circulation within the harbor area.

Surface Run-off. All landside-paved areas should be directed to the City's storm water drainage system and paved areas will be bordered with a curb to prevent spillage into the Bay.

Wind-blown Debris. All landside areas should be protected with a hand railing and wire-mesh fencing to limit wind-blown debris from entering the Bay.

Recycling Facilities. Trash and oil recycling facilities should be provided at the entrance to the harbor.

Public Education. The project should include a signage and public information program that will include the distribution and posting of harbor rules, signage for sewage and bilge pumpouts, Best Management Practices, and litter prevention.

Project Financing.

The total cost for the Hyde Street Fishing Harbor is estimated at $4.55 million. The Port obtained a loan from the California Department of Boating and Waterways for $3.5 million and a grant for sewage pumpout facilities from the California Department of Boating and Waterways for $86,500. In addition the State Legislature provided in its 1999/2000 budget $400,000 for water quality improvements to the Hyde Street Harbor. The remainder of the project budget will be made up of Port operating funds as proposed in the 98-99 Capital Plan.

The State Department of Boating & Waterways has provided the Port with a grant for $400,000 with requirements that it must be applied to water quality improvements for the Hyde Street Harbor. The Commission reviewed the list of water quality improvements in April, 1998 when authorizing staff to apply for the vessel pumpout grant and expressed in that resolution, support for staff obtaining additional State funding.

The attached resolution authorizes the Port's Executive Director to retroactively apply for, accept and expend up to $400,000.00 of these grant funds. The contract includes an indemnity provision that states the following:

- The Grantee waives all claims and recourse against the Department including the right to contribution for any loss or damage arising from, growing out or in any way connected with or incident to this contract except claims arising from the concurrent or sole negligence of the Department, its officers, agents and employees.

- To the extent permitted by law, the Grantee shall indemnify, hold harmless and defend the Department, its officers, agents and employees against any and all claims, demands, damages, costs, expenses or liability arising out of the acquisition, design, construction, operation, maintenance, existence or failure of the project.

Prepared By: Dan Hodapp, Project Coordinator

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 99-34

WHEREAS, the Port developed a plan for revitalization of the commercial fishing industry at Fisherman's Wharf, including the provision of new vessel berthing facilities and provision of new shoreside fish distribution facilities; and

WHEREAS, the Port prepared a preliminary design and feasibility study of the harbor facilities which showed adequate demand and need for the harbor, and that it functioned efficiently with other facilities at Fisherman's Wharf; and

WHEREAS, by Resolution No. 96-136, the Port Commission authorized staff to proceed with the design and construction of a 62-berth harbor located to the east of the Hyde Street Pier (the "Project"); and

WHEREAS, the Port applied for and obtained an agreement with the California Department of Boating and Waterways to obtain a $3.5 million loan for construction of the Hyde Street Fishing Harbor, loan contract 89-21-77, amended March 19, 1996; and

WHEREAS, on December 12, 1996 the San Francisco Planning Commission certified the Final Environmental Impact Report for the Hyde Street Harbor ("FEIR"), and

WHEREAS, by Resolution No. 96-136, the Port Commission adopted findings based on the consideration of the FIER that the Project will not have a significant effect on the environment and that it would improve the existing setting for the fishing industry by the provision of much-needed facilities and would improve existing water quality; and

WHEREAS, the California State Legislature is considering allocation of funds for the *San Francisco Fisherman's Wharf Commercial Fishing Harbor Marina Pollution Prevention Project* in its 1999/2000 budget; now, therefore be it

RESOLVED, that by Port Resolution No. 96-136, the Port Commission has reviewed and considered the FEIR and has adopted the findings attached thereto ("Project Findings"), and that the Port Commission hereby adopts the Project Findings with respect to the application, acceptance and expenditure of the grant funds hereunder, and incorporates the Project Findings herein by this reference; and, be it further

RESOLVED, that based upon the Port Commission's review of the FEIR, the Port Commission hereby finds that: (1) modifications proposed for the Project will not require important revisions to the FEIR due to the involvement of new significant environmental effects or a substantial increase in the severity of previously identified significant effects; (2) no substantial changes have occurred with respect to the circumstances under which the Project will be undertaken which would require major revisions to the FEIR due to the involvement of new significant environmental effects, or a substantial increase in the severity of effects identified in the FEIR; and (3) no new information of substantial importance to the Project has become available which would indicate: (a) the Project will have significant effects not discussed in the FEIR; (b) significant environmental effects will be substantially more severe; (c) mitigation measures or alternatives found not feasible which would reduce one or more significant effects have become feasible; or (d) mitigation measures or alternatives which are considerably different from those in the FEIR would substantially reduce one or more significant effects on the environment; and, be it further;

RESOLVED, that the Port Commission authorizes the Executive Director to apply for, accept, and expend grant funds for up to $400,000 from the State of California Department of Boating and Waterways for the Hyde Street Fishing Harbor, including an indemnity provision set forth in the memorandum of Agenda Item No. 8A for the May 11, 1999 Port Commission meeting and further authorizes the Executive Director to enter into such additional agreements or to take such further action as is necessary to implement this authorization.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of May 11, 1999.

_____
Secretary

CITY & COUNTY OF SAN FRANCISCO
PORT COMMISSION

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MINUTES OF THE REGULAR MEETING
MAY 11, 1999

1. ROLL CALL

Commission President Denise McCarthy called the meeting to order at 4:05 p.m. The following Commissioners were present: Denise McCarthy, Michael Hardeman, Brian McWilliams and Pius Lee. Commissioner Kimberly Brandon was not present.

2. APPROVAL OF MINUTES - April 27, 1999 Regular Meeting

ACTION: Commissioner Hardeman moved approval; Commissioner Lee seconded the motion. All of the Commissioners were in favor; the minutes of the April 27, 1999 regular meeting were adopted.

3. EXECUTIVE

A. Executive Director's Report

(1) New Tenants Information Package – Mr. Philip Smith, Director of Real Estate, gave the Commission a sample of a "welcoming bag" for prospective tenants of the Port. The Real Estate Division is trying to create a service-oriented environment that would encourage people to do business or maintain their business relationship with the Port. Jackie Flagg, his executive assistant, put together a welcoming package, which include some useful, everyday items as well as a Port informational pamphlet. The pamphlets, including information on public transit, financial institutions, Ferry Building, Agricultural Building, etc. will be continually updated. Mr. Smith commended Jackie Flagg for her excellent work and the time and effort she put into the project.

The Commission thanked Mr. Smith for the very informative package and extended their thanks to Jacqueline Flagg as well.

(2) Pier One – At the May 7th BCDC hearing, the BCDC permit for Pier One was approved unanimously (16-0). This is the final regulatory approval needed for the project. AMB will start construction in August.

(3) Pier 30-32 and Seawall Lot 330 are identified in the Port's Waterfront Land Use Plan as one of the Port's most attractive development sites. Last October, the Port Commission approved Resolution No. 98-108 through

which the Port Commission selected Pier 30-32 as the preferred location for the development of the James R. Herman Cruise Ship Terminal. The resolution authorized staff to prepare a RFQ/P for a mixed-use development on Pier 30-32 and SWL 330 (together the "Bryant Street Pier Project") including the development of the James R. Herman Cruise Ship Terminal.

Port staff has selected a group of well-qualified citizens and organizations to participate in an Advisory Group for this project (the names of the advisory group members were provided to the Commission at the April 13th Port Commission meeting). The Advisory Group met last week and will be meeting for the next several weeks to review the goals and objectives for the project.

Staff has begun drafting the Request For Qualifications and Proposals, and intends to seek Commission's authorization to advertise and issue the RFQ/P at its next regularly scheduled May 25, 1999 meeting. The current schedule calls for the RFQ/P to be ready for public distribution on June 4, 1999.

4. CONSENT CALENDAR

A. Approval of Monthly Parking Stall Rate Schedule. (Resolution No. 99-32)

ACTION: Commissioner Hardeman moved approval; Commissioner Lee seconded the motion. All of the Commissioners were in favor; Resolution No. 99-32 was adopted.

5. MARITIME

A. Approval of five-year Marine Terminal Agreement with Trans-Pacific Lines Ltd. at Pier 80. (Resolution No. 99-33)

Mr. Peter Dailey, Director of Maritime, requested Commission's approval of a five-year Marine Terminal Agreement with Trans-Pacific Lines (TPL) Ltd. for use of Pier 80 as their Northern California port of call. Additionally, he requested Commission's authorization to seek approval from the City's Risk Manager to amend the agreement to include a mutual indemnity clause. In light of the Commission's approval of this agreement, TPL will provide full-service containerized service to and from Asia and U.S. West Coast utilizing 1800 TEU containerships, the *Pacific Challenger*, P*acific Discovery* and *Pacific Champion*. TPL is offering a 14-day fixed sailing from Pier 80 to Korea, Philippines, China and then back to Los Angeles and San Francisco. Service to a wide range of other Southeast Asia ports will be available via connections with Wan Hai Lines' comprehensive Intra-Asia service interfacing with TPL in Korea and the Philippines.

This is the first full container trans-pacific service to call at the Port since 1995. This is further evidence that our marketing strategy of offering economy, superior facilities and excellent customer service in concert with Marine Terminals

Corporation, the Port's terminal manager at Pier 80 is working. TPL is the fifth new shipping company to select San Francisco as their port of call in the past year. This is new business not only for San Francisco but for Northern California as well.

Material provisions of the agreement include the following: reduced wharfage and dockage rates based on increased volume incentives. Staff estimates that the agreement will generate additional 11,000 container units per year. It would generate in excess of $650,000 from wharfage, dockage and crane rental which will be shared with MTC per our management agreement.

The agreement contains an indemnity that TPL agrees to indemnify the Port and the City for claims resulting from its acts or omissions at the facility. The Port's standard exculpation clause, under which the Carrier waives all claims against the Port and the City including claims due to the Port or City's negligence, has been deleted from these agreements pursuant to TPL's request. In addition, TPL has requested an indemnity from the Port and the City against claims caused by the Port or City's negligence. The City's Charter requires any indemnities by the Port or the City to be approved by the City's Risk Manager. The agreement provides that upon approval by the City's Risk Manager, parties will sign an amendment to the agreements to include the Port and City's indemnity. If the City's Risk Manager disapproves the indemnity, TPL may terminate their agreements upon 30-days prior written notice.

With this new business, staff estimates an annual container throughput of 38,000 TEUs at Pier 80, up from 14,000 in 1990. While this is positive news, he reminded the Commission that we are operating on a very competitive business environment. In 1999, the shipping industry went through a period of uncertain growth. The Asian economic situation has put pressure on shipping lines to reduce cost and increase productivity. Combined with the recent deregulation of the shipping industry in the United States, the trade is pushing carriers to form new partnerships and alliances that may offer the Port of San Francisco some real opportunities for new business. Conversely, it presents some real risks. Mr. Dailey will keep the Commission apprised of the market condition and how the Port intends to respond.

Commissioner McCarthy commended Maritime staff for their hard work. Commissioner Lee suggested having a reception to welcome the TPL to the Port of San Francisco. Mr. Dailey indicated that staff approached TPL management regarding this idea and staff anticipates to have the reception in a couple of months.

ACTION: Commissioner Lee moved approval; Commissioner McWilliams seconded the motion. All of the Commissioners were in favor; Resolution No. 99-33 was adopted.

6. REAL ESTATE

7. **FACILITIES & OPERATIONS**

8. **PLANNING & DEVELOPMENT**

A. Authorizing the Executive Director of the Port of San Francisco to accept and expend $400,000 of State funds from the State of California Department of Boating and Waterways for marina pollution prevention and water quality improvements at the Hyde Street Fishing Harbor. (Resolution No. 99-34)

Mr. Paul Osmundson, Director of Planning and Development, indicated that the Port Commission authorized staff to proceed with the design and construction of the Hyde Street Fishing Harbor, a proposed 62-berth harbor located to the east of the Hyde Street Pier. It is part of a series of improvements in the Fisherman's Wharf area including a breakwater, repairs to fish processing space on Pier 45 and the harbor itself. The Commission has since authorized staff to advertise the project for construction.

The Port formed an Environmental Quality Advisory Committee (EQAC) for the Fisherman's Wharf area to address environmental issues associated with water quality. The committee includes representatives from the fishing industry, area merchants, the swimming and boating community, and resource agencies. Through the efforts of Veronica Sanchez, the Port was successful in obtaining $400,000 from the 1998/1999 State of California budget through the California Boating and Waterways for water quality improvements for the Fisherman's Wharf area and Hyde Street Harbor. After many meetings with the EQAC, recommendations that were included in the project were: debris barrier, sewage pumpout, bilge pumpout, improvements and changes to the fuel dock, improvements for water circulation, pavement areas that are designed to direct the storm water runoff into the City's sewer system, design changes that would reduce the amount of debris that's blown into the water recycling facilities and public education.

Commissioner Lee asked about the interest rate for the $3.5 million loan; Mr. Osmundson responded that the interest rate is 4 percent fixed rate, 30-year term. Mr. Osmundson thanked Veronica Sanchez, Dan Hodapp, Elliott Riley, Kirk Bennett, Hedley Prince, John Davey, Roberta Jones, Carol Bach and others for their efforts on this project.

ACTION: Commissioner Hardeman moved approval; Commissioner Lee seconded the motion. All of the Commissioners were in favor; Resolution No. 99-34 was adopted.

9. **FINANCE & ADMINISTRATION**

10. **NEW BUSINESS / PUBLIC COMMENT**

Ernest Sanchez, Manager Alameda ferry services, on behalf of the City of Alameda, asked the Commission's assistance to maintain their ferry services. The City of Alameda

has operated ferry services since 1989, after the Loma Prieta Earthquake. The City of Alameda currently operates two ferry services from Bay Farm Island and from Alameda/Jack London Square in conjunction with the Port of Oakland. They have worked closely with Port staff in maintaining the excellent ferry service they provide at Pier ½. A long-term problem with ferries, both maintaining ferry services and expanding them, is funding. As new sources for capital projects become available, the day-to-day operations and operating subsidy is a weak point in their services. They continue to operate shortfalls on their Alameda/Oakland ferry services and the Bay Farm Island ferry and are asking the Commission for assistance.

Mr. Sanchez indicated that recently the City of Alameda has been investigating the possibility of imaging their ferries much like MUNI or AC Transit providing a graphic image which they can make available to advertisers and thereby generate revenues to help them maintain the ferry system. They have been in discussions with a company that they believe will do an excellent job by providing quality images and interested clients, some of whom are eager to proceed with this project as soon as possible. In their investigations, their City Attorney has found that the Port and City and County of San Francisco have an ordinance that prohibits billboard advertising in the Bay. Mr. Sanchez requested the Port and the City of San Francisco to provide the City of Alameda a waiver to that ordinance to allow them to find out whether this advertising could provide the funding necessary to continue their ferry service operation. He assured the Commission that they would exercise the greatest restraint and control with the proposed images and products and any other required restraints to ensure that the image of their ferry services as well as the beauty of the bay and San Francisco are not damaged. He reiterated the City of Alameda's requested to provide them the waiver to the ordinance.

Commissioner McCarthy directed staff to work on this matter and provide the Commission its recommendation. Mr. Sanchez indicated that they have been in contact with Port staff and was asked to seek the Commission's support. Legal Counsel Noreen Ambrose clarified that because the item is not on the calendar, the Commission is not in a position to comment on the proposal but can direct staff to pursue the matter and present its recommendation to the Commission. Mr. Sanchez indicated that their City Attorney has been working on this project and would be happy to lend any assistance.

Commissioner McWilliams asked if all ferry systems on the bay are subsidized. Mr. Sanchez replied that all except the Tiburon service. Commissioner McWilliams indicated that the City of Alameda is in considerable disadvantage because of subsidy availability. Mr. Sanchez concurred and added that the Alameda ferries are subsidized by Measure One Five Percent Money and the subsidy amount has remained at the same level for a number of years. Commissioner McWilliams indicated that the operators or other parties have eaten any cost of living increases. Mr. Sanchez indicated that in October 1998, when the existing contract was about to expire, they sent out an RFP to seek out interested parties in the private sector to operate the ferries. One of the major comments was the subsidy was inadequate to the cost of living increases. Additional subsidies need to be identified or the fares would be raised, which would impact the viability of service for commuters.

On behalf of the Fisherman's Wharf Merchants Association (FWMA) Board of Governors, Kevin Westlye, managing partner of Franciscan Restaurant and a 42-year Port tenant, asked the Commission to review the Living Wage Ordinance recently introduced by Board President Tom Ammiano and to evaluate the economic impact both on the Port and its tenants. Having work full time since 1978, Mr. Westlye indicated that he has never seen an ordinance put fear and panic in as many business people as this ordinance has. When people read the ordinance and looked at what the cost structure is going to do, they would either have to close their business or stop doing business with San Francisco. Anyone doing business on Port property would be affected by this particular ordinance. He cited an example of what the impact of this ordinance would do to their business. As influenced by this ordinance, a restaurant on Port property would have to generate more than a million dollars in payroll costs which would basically shut down its operation. Restaurants, as well as other small businesses, operate on small margins. Under this ordinance, Franciscan Restaurant would be protected under its current lease unless there's a change in their contractual status although not defined in the ordinance. He asked if this would mean that when their percentage rent is adjusted or when they take out a building permit to remodel or expand their business, or if they sell their business, the new owner would be subject to the ordinance. The impact of the ordinance would force people to stop investing money on Port property because it would put them out of business and no one would invest money under this kind of threat.

On behalf of the FWMA, he asked the Commission to review the ordinance. Restaurants would have to raise their prices somewhere in the range of 30% to 50% in order to pay for the new wage standards. The restaurants off Port property would not be subject to the ordinance and therefore could continue with similar pricing structure. This would represent a serious erosion in their business. He indicated that it would behoove the Port to take a look at the ordinance and do everything it can to have the Port tenants excluded in the ordinance so they are not penalized for renting Port property.

11. EXECUTIVE SESSION

A. Vote on whether to hold closed session to confer with Legal Counsel and Real Property Negotiator.

ACTION: Commissioner Hardeman moved approval; Commissioner McWilliams seconded the motion. All of the Commissioners were in favor.

At 4:35 p.m., the Commission Secretary announced that the Commission will withdraw to executive session to discuss the following:

B. CLOSED SESSION

(1) CONFERENCE WITH LEGAL COUNSEL REGARDING ANTICIPATED AND EXISTING LITIGATION MATTERS:

a. Discuss significant exposure to litigation pursuant to subdivision (b) of the California Government Code Section 54956.9 (two cases).

b. Discuss existing litigation matter pursuant to subdivision (a) of the California Government Code Section 54956.9 (one case).

- Peer Inn, Federal Bankruptcy Court, Case No. 98-31586TC

12. RECONVENE IN OPEN SESSION

At 6:02 p.m., Commissioners McCarthy, Hardeman, Lee and McWilliams returned from executive session and convened in public session.

ACTION: Commissioner Hardeman moved approval to not disclose any information discussed in executive session; Commissioner Lee seconded the motion. All of the Commissioners were in favor.

The meeting was adjourned at 6:03 p.m.

SAN FRANCISCO
PORT COMMISSION

REGULAR MEETING
4:00 P.M., TUESDAY, MAY 25, 1999
FERRY BUILDING, SUITE 3100
SAN FRANCISCO, CA 94111

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AGENDA

1. **ROLL CALL**

2. **APPROVAL OF MINUTES** - May 11, 1999 Regular Meeting

3. **EXECUTIVE**

   A. Executive Director's Report

4. **CONSENT CALENDAR**

99-05-21A11:56 RCVD

5. **MARITIME**

6. **REAL ESTATE**

7. **FACILITIES & OPERATIONS**

   A. Authorization to advertise for competitive bids for Construction Contract No. 2661, Pier 52 Parking Lot Project. (Resolution No. 99-35)

8. **PLANNING & DEVELOPMENT**

   A. Authorization to issue a Request for Qualifications and Proposals for the development and lease of Pier 30-32 and Seawall Lot 330 as the James R. Herman International Cruise Terminal and Bryant Street Pier Project. (Resolution No. 99-36)

   B. Informational report on formation of the Northeast Waterfront Advisory Group and on schedule for preparing a Request for Proposals for a mixed-use Active Recreation development project at Piers 27-31½.

9. **FINANCE & ADMINISTRATION**

10. NEW BUSINESS / PUBLIC COMMENT

Public comment is permitted on any matter within Port jurisdiction and is not limited to agenda items. Public comment on non-agenda items may be raised during New Business/Public Comment. Please fill out a speaker card and hand it to the Commission Secretary. If you have any question regarding the agenda, please contact the Commission Secretary at 274-0406.

11. EXECUTIVE SESSION

A. Vote on whether to hold closed session to confer with Legal Counsel and Real Property Negotiator.

B. CLOSED SESSION

(1) CONFERENCE WITH REAL PROPERTY NEGOTIATOR - This is specifically authorized under California Government Code Section 54956.8. ***This session is closed to any non-City/Port representative.****

a. Property: Broadway Hotel Property Seawall Lot 324, 323, 322-1
Person Negotiating: Port of San Francisco: Paul Osmundson, Director of Planning & Development
*Stanford Hospitality, Inc.
*Promus Hotel Corporation/Koll Development

Under Negotiation: ___ Price ___ Terms of Payment ✓ Both
An executive session has been calendared to provide instructions to property negotiator regarding evaluation of proposals submitted for the Port property located at SWL 324, 323, 322-1.

b. Property: Triangle property at Seawall Lot 301/302
Person Negotiating:
Port of San Francisco: Philip Smith, Director of Real Estate
*Alioto's: Nunzio Alioto

Under Negotiation: ___ Price ___ Terms of Payment ✓ Both
An executive session has been calendared to discuss real estate negotiations between the Port and Alioto's regarding property located at Jefferson Street.

(2) CONFERENCE WITH LEGAL COUNSEL REGARDING ANTICIPATED AND EXISTING LITIGATION MATTERS:

a. Discuss significant exposure to litigation pursuant to subdivision (b) of the California Government Code Section 54956.9 (two cases).

b. Discuss existing litigation matter pursuant to subdivision (a) of the California Government Code Section 54956.9 (one case).

- Underwater World at Pier 39 and Aquabay, Inc., Jointly Administered Federal Bankruptcy Court (Northern District of Illinois) Case Nos. 99 B 07793 and 99 B 07796).

12. RECONVENE IN OPEN SESSION

A. Possible report on actions taken in closed session pursuant to Government Code 54957.1(a)2 and San Francisco Administrative Code 67.14(b)(2).

B. Vote in open session on whether to disclose any or all executive session discussions pursuant to Government Code 54957.1(a)(2) and San Francisco Administrative Code 67.14(b)(2).

13. ADJOURNMENT

DISABILITY ACCESS

The Port Commission office is located on the third floor of the Ferry Building, Suite 3100. The Port office is wheelchair accessible. Accessible seating for persons with disabilities (including those using wheelchairs) will be available. The closest accessible BART and MUNI Metro station is Embarcadero located at Market and Spear Streets. Accessible MUNI lines serving the Ferry Building are the 9, 31, 32 and 71. For more information about MUNI accessible services, call 923-6142. *Due to the Mid-Embarcadero construction, there is no accessible parking at the Ferry Building and at the public lot in the Embarcadero median in front of the Ferry Building. Parking is available at Rincon (Spear between Mission & Howard), One Market Plaza (Spear between Market & Mission), Embarcadero Center 4 (Clay between Davis & Drumm) and 50 California Garage (Sacramento between Davis & Drumm).* Assistive listening devices are available for use in the Port Commission Meeting. The following services are available on request 72 hours prior to the meeting: (1) American Sign Language Interpreters; (2) A Sound Enhancement System; (3) The use of a reader during the meeting and (4) copies of the agenda or minutes of the meeting in alternative formats. Please contact Kevin Jensen, the Port's ADA Coordinator at (415) 274-0555. Late requests will be honored if possible. Please contact the Commission Secretary at (415) 274-0406 should you require large print of the agenda.

In order to assist the City's efforts to accommodate persons with severe allergies, environmental illnesses, multiple chemical sensitivity or related disabilities, attendees at public meetings are reminded that other attendees may be sensitive to various chemical-based products. Please help the City accommodate these individuals.

Know Your Rights Under the Sunshine Ordinance:

Government's duty is to serve the public, reaching its decisions in full view of the public. Commissions, boards, councils and other agencies of the City and County exist to conduct the people's business. This ordinance assures that deliberations are conducted before the people and that City operations are open to the people's review. For more information on your rights under the Sunshine Ordinance (Chapter 67 of the San Francisco Administrative Code) or to report a violation of the ordinance, contact the Sunshine Ordinance Task Force at 554-4851.

San Francisco Lobbyist Ordinance

Attention: Individuals and entities that influence or attempt to influence local legislative or administrative action may be required by the San Francisco Lobbyist Ordinance (SF Admin. Code 16.520 - 16.534) to register and report lobbying activity. For more information about the Lobbyist Ordinance, please contact the Ethics Commission at 1390 Market Street, #701, San Francisco, CA 94102, phone (415) 554-9510 or fax (415) 703-0121 and web site http://www.ci.sf.ca.us/ethics/.

SEE NEXT PAGE FOR LIST OF UPCOMING PORT MEETINGS

Revised Date – May 20, 1999

MAY - JUNE 1999

CALENDAR OF UPCOMING PORT MEETINGS - OPEN TO THE PUBLIC

Date	Time	Group	Location
Thursday, May 27	9:00 am	Fisherman's Wharf Environmental Quality Advisory Committee	Scoma's Restaurant
Thursday, June 3	3:00 pm	Northeast Waterfront Advisory Group	Port Commission Rm. #3100, Ferry Building
Tuesday, June 8	4:00 pm	Port Commission Meeting	Port Commission Rm. #3100, Ferry Building
Monday, June 14	5:30 pm	Southern Waterfront Advisory Committee	Port Commission Rm. #3100, Ferry Building
Tuesday, June 15	11:00 am	Waterfront Design Adv. Comm.	Port Commission Rm. #3100, Ferry Building
Tuesday, June 29*	4:00 pm	Port Commission Meeting	Port Commission Rm. #3100, Ferry Building

* Regular meeting of June 22nd rescheduled to June 29th.

NOTES:

The San Francisco Port Commission meets regularly on the 2nd and 4th Tuesday of the month at 4:00 pm. Contact Amy Quesada, Port Commission Secretary at 274-0406, to be placed on the mailing list for Commission meeting agendas.

The Rincon Point-South Beach CAC meets regularly on the 2nd Wednesday of each month at 4:00 pm. Contact Amy Neches, Redevelopment Agency at 749-2450, for more information.

Port Website: Check out the Port's Website at **www.sfport.com**

Questions/Contacts:

Pier 45 Advisory Group	Kirk Bennett	274-0545
Bryant Street Pier Advisory Group	Anne Cook	274-0483
Southern Waterfront Advisory Committee	Braj Norris	274-0540
Port of San Francisco Reception		274-0400

PORT OF SAN FRANCISCO

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MEMORANDUM

May 18, 1999

TO: MEMBERS, PORT COMMISSION
Hon. Denise McCarthy, President
Hon. Kimberly Brandon, Vice President
Hon. Michael Hardeman
Hon. Brian McWilliams
Hon. Pius Lee

FROM: Douglas F. Wong
Executive Director

SUBJECT: Authorization to advertise for competitive bids for Construction Contract No. 2661, Pier 52 Parking Lot Project.

DIRECTOR'S RECOMMENDATION: TO APPROVE THE REQUEST FOR AUTHORIZATION TO ADVERTISE FOR COMPETITIVE BIDS FOR THE CONSTRUCTION OF THE PIER 52 PARKING LOT PROJECT.

On March 9, 1999, the Commission authorized the rejection of construction bids for Contract No. 2609, "Pier 52 Public Boat Launch and Support Facilities Project," and authorized staff to explore recommendations for bidding the construction of the parking lot as a separate project. Staff now presents the parking lot and related improvements as a separate construction project for bidding.

Based on comments from the recreational boating community, Port staff concludes that the 40 space boat trailer parking lot and the crosswalk between the parking lot and the existing ramp are the most important elements of the project. The community groups also noted that the existing boat ramp is still very functional. Staff now recommends that the Port Commission approve the advertisement of bids for this construction project. The project will include a 40-space pull-through boat trailer parking lot, undergrounding of four overhead utility poles along the parking lot, and a new crosswalk signal featuring an LED warning system. Staff also seeks Commission approval of a time period not to exceed 120 days after opening of bids in which to award the contract to the lowest responsible and responsive bidder.

This Print Covers Calendar Item No. 7A

The Port Commission previously accepted a grant from the Department of Boating and Waterways in the amount of $198,000 for the construction of the Parking Lot. In addition, the Port Commission has approved the expenditure of $1.4 Million in capital funds to design and construct the improvements at the Pier 52 site, and an additional $150,000 for electrical pole relocation as part of the parking lot construction. The project scope of work includes contractor mobilization, site clearing and grubbing, asphalt paving and striping, labor and supervision, construction materials and equipment to complete the work as set forth in the construction documents. The current engineer's estimate including a 10% contingency is approximately $550,000. The cost estimate is based on the previous bids opened on December 11, 1998 for the Pier 52 Boat Launch project. The bids submitted by the contractors for the parking lot averaged approximately $350,000. However, the electrical undergrounding work was not included in this total, because it was presumed that PG&E would perform this work, and the Port would pay PG&E for their services. However, due to the deregulation of the utility companies, PG&E has a tremendous backlog, and would likely delay completion of this work by six months. Therefore, staff has decided to include the electrical utility work under this contract.

Prepared by: Cliff Jarrard
Chief Harbor Engineer

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 99-35

WHEREAS, the Port Commission previously authorized the rejection of all bids for Contract No. 2609, for the construction of the Pier 52 Public Boat Launch and Support Facilities Project; and

WHEREAS, the Commission directed staff to explore recommendations for bidding the parking lot as a separate project, and to present such recommendations to the Commission in the future; and

WHEREAS, the Port Commission approved the expenditure of $1.4 Million from the 1994 Bond Refinancing Funds for the design and construction of improvements at the Pier 52 Project; and

WHEREAS, the Port Commission approved funding of an additional $150,000 from the amended 1998/99 Capital Plan for electrical pole relocation at Pier 52; and

WHEREAS, the cost estimate for the parking lot construction work and utility relocation is approximately $550,000; now therefore be it

RESOLVED, that the San Francisco Port Commission hereby authorizes Port staff to advertise for competitive bids for the construction of the Pier 52 Parking Lot Project, and be it further

RESOLVED, Port staff is authorized to award the contract to the lowest responsible and responsive bidder at any time within 120 days after opening of bids.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of May 25, 1999.

_____
Secretary

PORT OF SAN FRANCISCO

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MEMORANDUM

May 25, 1999

TO: MEMBERS, PORT COMMISSION
Hon. Denise McCarthy, President
Hon. Kimberly Brandon, Vice President
Hon. Michael Hardeman
Hon. Brian McWilliams
Hon. Pius Lee

FROM: Douglas F. Wong
Executive Director

SUBJECT: Authorization to Issue a Request for Qualifications and Proposals ("RFQ/P") for the Development and Lease of Pier 30-32 and Seawall Lot 330 as the James R. Herman International Cruise Terminal and Bryant Street Pier Project.

DIRECTOR'S RECOMMENDATION: Authorize Issuance of RFQ/P

This staff report provides information on the James R. Herman International Cruise Terminal and mixed use development project (collectively, the "Bryant Street Pier Project") and includes the recommendation that the Port Commission authorize Staff to issue a developer RFQ/P for the Project.

James R. "Jimmy" Herman, who died last year, was a strong proponent of a new cruise terminal for San Francisco. The terminal was named for Jimmy as a tribute to his dedication to Maritime industry and the Port of San Francisco.

A. Introduction and Background

The Bryant Street Pier Project site consists of the approximately 12.8-acre Pier 30-32 and 2.8-acre Seawall Lot 330. The Site is identified in the *Waterfront Land Use Plan* as one of the Port's most attractive development opportunities. The *Waterfront Plan* designates the Site as part of the "Bryant Street Mixed Use Opportunity Area" which includes Piers 30-32, 34, 36 and Seawall Lot 330. According to the *Waterfront Plan*, the vast size of Pier 30-32 offers an excellent opportunity for a large public-oriented mixed-use project with a significant maritime

This Print Covers Calendar Item No. **8A**

component, public access and open space. The *Waterfront Plan* states that the Project should become a signature piece in this neighborhood. The *Waterfront Plan* identifies a range of acceptable uses for Pier 30-32 and Seawall Lot 330 that can be incorporated into the overall development program for the Site.

Last October, the Port Commission approved Resolution No. 98-108 through which the Port Commission selected Pier 30-32 as the preferred location for the James R. Herman International Cruise Terminal. The Resolution authorized Port Staff to prepare a RFQ/P for the Bryant Street Pier Project.

In April, pursuant to the *Waterfront Plan*, Port Staff selected a group of well-qualified citizens and experts to participate in the Advisory Group for the project. A list of the members are attached as Exhibit A. On April 13, 1999, staff briefed the Port Commission on the Advisory Group's formation and process. Since that time, the Advisory Group has met three times to review and comment on the Project Goals and Objectives that will be incorporated into the RFQ/P, and completed their effort on May 19th. The Project Goals and Objectives which follow, incorporate their comments.

B. Project Goals and Objectives

The Bryant Street Pier Project must achieve four major goals:

- Provide a signature mixed-use waterfront project which achieves a high level of year-round public use and support
- Include development of the state-of-the-art James R. Herman International Cruise Terminal which enhances the Port's international reputation as a first class cruise destination and preserves and creates new maritime jobs on this site and throughout San Francisco's waterfront
- Achieve a use and design program which respects and complements the existing South Beach neighborhood
- Provide for the enhancement of the Port's financial position over the term of the leasehold

The Port's primary objectives for the Project are development of a high-quality cruise terminal and mixed-use project which provides a focal point on the waterfront mid-way between Downtown and the new Pacific Bell Park. The Port envisions a modern cruise terminal with active, public-oriented uses providing a premier gathering place for the Bay Area, the City and the neighborhood.

The Port's criteria for the Bryant Street Pier Project on which proposals will be evaluated include the following. The order of the objectives is not intended to indicate relative importance.

Planning and Land Use Objectives

Design and build a modern international passenger cruise terminal capable of accommodating current and projected growth in San Francisco's cruise industry and consistent with the

Development Requirements for the James R. Herman International Cruise Terminal set forth in Exhibit B.

Link the development of the Cruise Terminal and any other maritime activities with complementary commercial and public activities as part of a mixed-use program which includes public access and open space.

Incorporate the existing Red's Java House into the Project.

Provide activities which attract residents of the City and the region, complement and leverage anticipated waterfront visitor activity, and include businesses which cater to nearby residents and people who work in the area.

Unite and integrate the land side neighborhoods with the waterfront and make the area inviting to local residents as well as visitors.

The scale, intensity and design of the proposed uses must be compatible with the surrounding neighborhood.

Minimize short-term (construction) and long-term adverse impacts on the adjacent neighbors.

Encourage new activities which do not generate peak traffic volumes during commute periods, and design project circulation to minimize congestion on roadway and public transit systems.

Promote the use of public transportation and maximize the efficient use of parking for the Project and the expanding neighborhood, in a manner which does not hamper Cruise Terminal operations.

Activate and revitalize the Site, establishing a year-round daytime and evening presence.

Incorporate expansive public access that builds upon and enhances the PortWalk through the South Beach area and includes interpretive signage, consistent with the Waterfront Plan and its Design & Access Element and Cruise Terminal security requirements.

Meet provisions of the Port's Waterfront Land Use Plan and Design & Access Element, and comply with the "Good Neighbor" Development Standards set forth in the Waterfront Plan.

Permitted Uses

Pier 30-32	**Seawall Lot 330**
Ferry and Excursion Boats	Residential (subject to public trust requirements) *See Waterfront Plan for further explanation*
Historic Ships	
Maritime Office	
Maritime Support Services	Assembly and Entertainment**
Passenger Cruise Ships*	Hotels
Temporary and Ceremonial Berthing	Parking
Water Taxis	Retail and Restaurants**

Open Space and Public Access * Assembly and Entertainment** Museums Retail and Restaurants** Recreational Enterprises Visitor Services Wholesale Trade/Promotion Center Community Facilities (Ancillary Uses)	*Required Uses **Although Assembly and Entertainment and Retail and Restaurant uses are permitted on this site pursuant to the *Waterfront Plan*, certain types of such uses may be incompatible with the residential nature of the area. For example, permanent outdoor carnival or amusement parks would be inappropriate, as would predominantly tourist-oriented shops. The mix and types of uses will be closely scrutinized by the Port for consistency with the Project Goals and Objectives.

The developer must ensure a compatible mix of year-round uses and the overall financial viability of the Bryant Street Pier Project.

Financial Objectives

Consistent with the Planning and Land Use and Design Objectives, maximize the Port's rental revenue from the Site over the term of the lease to help the Port achieve its public trust objectives to support maritime industries, provide public-oriented activities and open space improvements on the waterfront, and maintain Port facilities.

Invest substantial capital improvements in the Site for the development of a first-class international cruise terminal and mixed-use development.

Guarantee a fair market rent, including a minimum monthly base rent, taking into consideration the public benefits being provided as part of the Project. Provide adjustments in the base rent for cost of living increases and/or other participation in future increased revenues.

Provide rent to the Port during construction.

Provide protection for the Port from construction and operational risk.

Design Objectives

Provide a high standard of architectural design which is appropriate to the prominence of the Site and which establishes a waterside architectural identity for the South Beach neighborhood.

Design an inviting, dynamic, functional, efficient and signature cruise terminal which also can be used for non-cruise events and programming.

Seismically retrofit and rehabilitate the Pier to current fire and safety and building code standards.

Meet the Port's Development and Design Guidelines set forth in the *Waterfront Plan* and its Design and Access Element, as well as pertinent policies of the City's General Plan, which address such issues as views, height, building massing, orientation, transparency, building materials, exterior elevations, articulation and character.

The Port is seeking a project which meets all Project goals and objectives set forth above. Nonetheless, the Port's primary focus will be on selecting a developer with a superior cruise terminal development concept, followed, in descending order of priority, by an overall mixed use concept which is compatible with and enhances the adjacent South Beach neighborhood, provides a high standard of architectural design and meets the Port's financial objectives.

C. Selection Process

Port staff recommends a selection process which would consist of the following steps:

1. Qualifications Phase – submittal of qualifications and a general project concept (which would be accompanied by a $100,000 earnest money deposit that would be refundable to all respondents except the one with whom the Port enters into exclusive negotiations), which would be evaluated by Port staff to create a "short list" of the most qualified respondents. (Note: The Port will reserve the right to select a developer directly from this Phase.)

2. Proposals Phase – submittal of proposals from short listed developers; and

3. Exclusive Negotiations Phase – selection of a developer by the Port Commission and execution of an Exclusive Right to Negotiate, which would constitute an interim contract to be utilized during the initial project approval process while the development agreement and ground lease are being negotiated and finalized, and while environmental review of the project is being conducted. The exclusive negotiation period would be for 4 months, with conditional options to extend.

D. Public Notice of Project

Port Staff has made extensive efforts to inform interested members of the public about the status and schedule for the Bryant Street Pier Project. In addition to the Port Commission hearings described above, Port Staff has regularly attended the Rincon Point South Beach Citizen's Advisory Committee meetings to apprise the community of the Project. Port Staff has widely distributed the Port Commission quarterly update on Port Planning and Development Projects, which includes a summary of the Bryant Street Pier Project.

Port Staff was unable to provide newspaper notice of the May 25th Port Commission hearing in one newspaper no less than 10 days prior to this hearing consistent with Port Commission policy. However, Port staff instead published notice in two newspapers of general circulation, the San Francisco Examiner on May 19th and the San Francisco Independent on May 20th. In addition, on May 19th, Staff mailed notice of the May 25th hearing to the entire Rincon Point-South Beach Citizen's Advisory Committee mailing list and provided a notice for faxing to the South Waterfront Alliance.

E. Schedule

- Solicitation of Qualifications and Proposals: June 4, 1999
- Pre-Submittal Conference and Site Tour: June 1999
- Developer Qualifications Due: July 26, 1999
- Solicitation of Proposals from "Short List": August 1999
- Developer Proposals Due: October 1999

F. Recommendation

Port staff recommends that the Commission authorize and direct staff to issue a Request For Qualifications and Proposals for design, development and lease of Pier 30-32 and Seawall Lot 330 as a mixed-use development that includes the James R. Herman International Cruise Terminal.

Prepared by: Anne Cook
Manager, Waterfront Development Projects

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PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 99-36

WHEREAS, Charter Section 3.581 empowers the Port Commission with the authority and duty to use, conduct, operate, maintain, manage, regulate and control the lands within Port jurisdiction; and

WHEREAS, over the past year, Port staff have worked with consultants and other experts, and hosted public meetings and workshops, to establish the requirements for a new cruise terminal for San Francisco; and

WHEREAS, on October 21, 1998 through Resolution 98-108, the Port Commission selected Pier 30-32 as the site for the new James R. Herman International Cruise Terminal as part of a mixed-use development including Pier 30-32 and Seawall Lot 330 (together the "Bryant Street Pier Project" or "Project"); and

WHEREAS, the Port Commission now wishes to proceed with the development of Pier 30-32 and Seawall Lot 330 (the "Site") in order to achieve the following goals: provide a signature mixed-use waterfront project which achieves a high-level of year-round public use and support; include development of the state-of-the-art James R. Herman International Cruise Terminal which enhances the Port's international reputation as a first class cruise destination and preserves and creates new maritime jobs on site and throughout San Francisco's waterfront; achieve a use and design program which respects and complements the existing South Beach neighborhood; and provide for the enhancement of the Port's financial position over the term of the leasehold; and

WHEREAS, the Port is committed to diversity in the design, construction and employment opportunities represented by this Project; and

WHEREAS, issuance of a Request for Qualifications and Proposals does not commit the Port to proceeding with the Project, and the Port will not approve any lease or development agreement for the Project until there has been complete compliance with the California Environmental Quality Act ("CEQA"); and

WHEREAS, Port Commission policy requires competitive bidding of this opportunity; and

WHEREAS, pursuant to the process identified in the Waterfront Land Use Plan, Port staff has convened an advisory group to provide the Port with input on the development concept being considered for the Site; and

WHEREAS, the Port has undertaken extensive outreach efforts to notify the adjacent South Beach neighborhood and the public of the plans to seek a major mixed use development at the Site, and noticed this May 25, 1999 hearing in two newspapers of general circulation, the San Francisco Examiner on May 19, 1999 and the San Francisco Independent on May 20, 1999; now, therefore, be it

RESOLVED, that the "Notice of Port Activities" provisions adopted by the Port Commission through Resolution 98-09 on January 27, 1998 which apply to this project have been or will be met for this project, with the exception of the newspaper notice provisions, which was replaced with the newspaper notices described herein which replacement shall be deemed acceptable for the Project; and be it further

RESOLVED, that the Port Commission hereby authorizes and directs Port staff to issue a Request for Qualifications and Proposals for design, development and lease of Pier 30-32 and Seawall Lot 330 as a mixed use development that includes the James R. Herman International Cruise Terminal, in accordance with the terms set forth in the memorandum and attachments to the Port Commission for item 8A of the Port Commission's May 25, 1999 meeting, a copy of which is on file with the Port Commission Secretary, and in such form as is approved by the Executive Director, or his designee, and the City Attorney.

I hereby certify that the Port Commission at its meeting of May 25, 1999 adopted the foregoing Resolution.

_____
Secretary

EXHIBIT A

Bryant Street Pier Advisory Group

Teresa Rea, Chair – San Francisco Planning and Urban Research Association

Jane Morrison – San Francisco Tomorrow

Julia Viera – Waterfront Plan Advisory Board

Jeffrey Leibovitz – Portside Condominiums

Michael Karasik – Bayside Village Apartments

Norman Pearce – Pier 40 Roastery

Diane Lochman – Resident, Steamboat Point Apartments

Frank Schweickert, Stephanie Muller – Delancey Street Apartments

John Bizzell – South Waterfront Alliance

John Love – International Hospitality & Tourism Consulting

Andy Barnes - Barnes & Company; Resident, Oriental Warehouse

Kerstin Magary - MUNI

Al Prat – San Francisco Operations Manager for Metropolitan Stevedore Company

Dale Hess – San Francisco Visitor and Convention Bureau

Bobby Guillory – Representative from the International Longshoremen's and Warehousemen's Union

Michael Nerney – Port Agent, Inchcape Shipping Services

Jim Lazarus – San Francisco Beautiful

Ellen Johnck – Executive Director, Bay Planning Coalition; Resident, Bayside Village

Chris Martin – The Cannery

DRAFT

EXHIBIT B: DEVELOPMENT REQUIREMENTS FOR THE JAMES R. HERMAN INTERNATIONAL CRUISE TERMINAL

The Port is seeking a developer to design and build a modern international passenger cruise terminal capable of accommodating current and projected growth in San Francisco's cruise industry. Once built, however, the Port proposes to lease back the cruise terminal from the developer. Although developers may propose an alternative operating arrangement, including an arrangement to use the terminal for other activities when not needed by the Port, the Port prefers proposals that allow the Port to retain absolute control over the cruise terminal operations and all services related to such operations. Thus, developers should note that the following guidelines prescribe only the basic requirements of the Port; the development requirements and final design of the cruise terminal may be subject to modification by the Port as the developer selection process proceeds.

Berths with adequate space around them for cruise ship and tug maneuvers

- Two at least 1,000 foot long and 35 foot deep berths, preferably that require little or no dredging, allow safe and easy maneuvering of cruise ships and tug boats, and at least one of which is oriented parallel to the shore to provide more efficient docking and operation.

- Both berths must be able to be used simultaneously. Although occasions when two ships are at berth together currently are infrequent, anticipated growth in the cruise industry necessitate this configuration.

- Developers will be responsible for any dredging necessary to bring the water depth to the required level. Once the requisite minimum water depth is reached, the Port will be responsible for maintenance dredging.

- Berth configurations must also allow for access to the vessels by barge and for maneuvering tugs and other vessels associated with cruise ship docking and operations.

- Developers need not be limited to the current configuration of the pier, however, as long as the berthing requirements are met.

DRAFT

- While not a requirement, cruise terminal designs that can also accommodate other vessels are encouraged, including passenger ferries, water taxis, auto ferries, excursion boats or transient docking for pleasure crafts.

Dockside facilities to safely and efficiently off-load, service and re-provision the ship. These operations are both labor and space-intensive.

- A minimum 50 foot of apron width at the berths. A continuous 12-inch high bull rail at the edge of the pier and bollards at 50-foot intervals. The apron should be sealed off from the public during ship servicing and customs operations, but open to the public at other times.
- Direct street access to the apron for operational vehicles, ship chandlers, waste reception services, fire trucks, etc.
- Four (4) modern and flexible gangways that can serve both berths simultaneously. The gangways must be able to move both vertically and horizontally to accommodate various vessel lengths, elevations and tidal conditions.
- 12,000 square foot passenger bridge.
- Secure, covered storage area for ships stores, vessel gear and spare parts, forklifts, etc.
- Utility service for the ships including telephone, water, and electrical hook-ups.
- Office space for terminal operator and stevedore company staff.
- Restrooms for stevedores and terminal staff.
- A bon voyage area that provides visual but not physical access to the ship during operations

Terminal Building The cruise terminal should be an attractive, full service facility for the efficient embarkation and disembarkation of passengers. Passenger comfort and convenience should be considered high priorities in the design of the terminal.

Given the unique characteristics of each cruise ship, the passenger terminal must be flexible to allow for various passenger processing options. Peak passenger throughput is approximately 3,000 passengers per vessel (1,500 embarking and 1,500 disembarking). The cruise terminal must be designed to handle as many as 6,000 passengers when two vessels are at berth.

The passenger processing area(s) of the terminal must therefore be designed to serve 3,000 passengers on a regular basis and 6,000 passengers on occasion, with minimal distances between the passenger processing facilities and the vehicular drop-off and pick-up sites, and between the passenger processing facilities and the gangways. At a minimum, the passenger processing area must include the following components:

- Passenger check-in area(s)
- Passenger waiting lounge(s)
- Offices for U.S. Customs and terminal staff

DRAFT

- Elevators and escalators to any upper levels
- Visitor information services
- Public restrooms and telephones
- U.S. Customs processing areas
- Baggage check
- An isolated and securable security zone meeting the requirements of the U.S. Coast Guard

Parking and Vehicular Circulation Separation of service traffic from passenger and visitor activities is preferred, with clearly-delineated routes/areas for passenger drop-off and pick-up, and bus and taxi queuing. Distances between passenger parking, drop-off and pick-up areas, check-in and baggage processing areas, and ships should be minimized to enhance passenger comfort and operational efficiency.

Although the majority of passengers embarking from San Francisco will be expected to arrive by bus directly from the airport, some on-site parking will be required when ships are in port. Most of this parking will be for visitors, but a limited number of cruise passengers will require parking for periods as long as two weeks. Ample parking must be reserved to accommodate cruise passengers.

- Covered passenger drop-off and pick-up areas with room for 25 buses, 20 taxis and limousines, truck loading and unloading
- Approximately 7,000 square feet for private automobile loading and unloading
- At least 250 parking spaces for passengers
- At least 10 parking spaces for the terminal operating company.

PORT OF SAN FRANCISCO

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MEMORANDUM

May 17, 1999

TO: MEMBERS, PORT COMMISSION
Hon. Denise McCarthy, President
Hon. Kimberly Brandon, Vice President
Hon. Michael Hardeman
Hon. Brian McWilliams
Hon. Pius Lee

FROM: Douglas F. Wong
Executive Director

SUBJECT: Informational report on formation of the Northeast Waterfront Advisory Group and on schedule for preparing a Request for Proposals for a mixed-use Active Recreation development project at Piers 27-31½.

On April 27, 1999, by Port Resolution No. 99-25, the Port Commission directed Port staff to commence the process prescribed in the *Waterfront Land Use Plan* for preparing a Request for Proposals for a mixed-use Active Recreation development project, with ancillary uses, for Piers 27-29 and possibly including Piers 29½-31½. Pursuant to the site development process stated in the Waterfront Plan, Port staff has formed the Northeast Waterfront Advisory Group to provide input and guidance to Port staff on the development concept to be included in this Request for Proposals for a mixed-use Active Recreation development project. The development concept for this project could be impacted by the results of the Piers 15-29 Special Planning Area, which is also required by the Waterfront Plan, and the Northeast Waterfront Advisory Group will therefore also advise Port staff on this special area study.

This Print Covers Calendar Item No. **8B**

The members of the Northeast Waterfront Advisory Group are as follows:

Anne Halsted, Chairperson	Former President, San Francisco Port Commission Former President, SPUR
Carlos Afre	You & Leisure Tours & Travel Pier 27 Annex
John Blum	101 Lombard
Gentle Blythe	Telegraph Hill Neighborhood Center
Jennifer Clary	San Francisco Tomorrow
Michael Franklin	General Manager, Levi Plaza
Jasmine Kaw	Chinatown Community Development Center
Jim Lazarus	SPUR
Toby Levine	Waterfront Plan Advisory Board
Eva Lieberman	Former member of the San Francisco Planning Department
Carrie Ludwig	Golden Gateway
Flicka McGurrin	Pier 23 Café
Leo McLaughlin	Telegraph Hill Dwellers
Stewart Morton	Foundation for San Francisco's Architectural Heritage Russian Hill Improvement Association
Garrett O'Doherty	Pacific Marine Yachts, Pier 39
Paul Stein	SKS Investment Francisco Bay Office Park
Kevin Westlye	Franciscan Restaurant Fisherman's Wharf Association
Joe Wyman	Hornblower Yachts, Inc., Pier 31½

The first meeting of the Northeast Waterfront Advisory Group is scheduled for Thursday June 3, 1999 at 3:00 p.m. in the Port Commission Room of the Ferry Building, and the Advisory Group is initially scheduled to meet on a weekly basis. The subsequent schedule for the Northeast Waterfront Advisory Group will be set with input from the Advisory Group, and when established, this schedule will be added to the Port's Calendar of Port Meetings Open to the Public, which is sent out with the Port Commission package and is updated on the Port's web page (www.sfport.com). Announcements regarding the formation of the Northeast Waterfront Advisory Group and commencement of meetings are also being sent to neighborhood organizations identified by the San Francisco Planning Department for the area bounded by Broadway, Columbus and San Francisco Bay.

Port staff anticipates seeking Port Commission approval to issue this Request for Proposals for an Active Recreation development project in August 1999.

Prepared by Kirk Bennett
Manager, Waterfront Development Projects

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CITY & COUNTY OF SAN FRANCISCO
PORT COMMISSION

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MINUTES OF THE REGULAR MEETING
MAY 25, 1999

1. ROLL CALL

Commission President Denise McCarthy called the meeting to order at 4:10 p.m. The following Commissioners were present: Denise McCarthy, Kimberly Brandon, Michael Hardeman, Brian McWilliams and Pius Lee.

2. APPROVAL OF MINUTES - May 11, 1999 Regular Meeting

ACTION: Commissioner Lee moved approval; Commissioner Brandon seconded the motion. All of the Commissioners were in favor; the minutes of the May 11, 1999 regular meeting were adopted.

3. EXECUTIVE

A. Executive Director's Report

(1) On May 22, 1999, at Piers 30/32, KFOG 104.5 presented its 6th Annual Bay Area's world class fireworks show. KFOG's Kaboom, was a brilliant display of never-before-seen shells exploding to the rhythm of an 18-minute rock soundtrack. A free Expo area on the piers opened at 4:00 p.m. with a special children's stage, food and drinks, and interactive product booths. At 5:00 p.m., the KFOG stage welcomed three nationally known bands for a live concert. At 9:00 p.m., the biggest fireworks show in Northern California exploded. Approximately 250,000 people viewed KFOG's Kaboom, with the Bay Bridge and City skyline as the dramatic workshop, visible throughout the Bay Area. In San Francisco, the best viewing areas were at Piers 30/32 and along Herb Caen Way on the Embarcadero Promenade, and of course, on the Bay. KFOG's choreographed soundtrack was broadcast along the route through four huge sound towers. It's estimated that 90% of attendees came to the venue via public transportation, including the new Muni E-Line streetcar, Bart, CalTrain, Muni and ferries.

Commissioner McCarthy commented that when she attended the Dawn Princess ceremony at Pier 35 last Wednesday, the area was pretty chaotic. There were two ships docked Pier 35 that day. She asked staff to describe what happened last Wednesday and give an update of what staff is working on to ensure a smoother operation in the future.

Peter Dailey, Maritime Director, indicated that last Wednesday the Dawn Princess had its maiden call in San Francisco and the Sky Princess was also in town. It was indeed a wild scene at Pier 35. The Dawn Princess disembarked 2000 passengers and the Sky Princess embarked 1200 passengers. The Dawn Princess subsequently embarked another 2000 passengers, including 400 travel agents. There were approximately 200 people working for Metropolitan Stevedore and Princess ships and 1500 ship crews. It was wild scene for a facility that was built for 1000 people. Staff had anticipated a difficult operation for the double hitters. Port staff, Princess Cruise Lines, Metropolitan Stevedore, labor and US Customs held a meeting a month before to iron out the anticipated difficulties. Unfortunately, there were numerous difficulties but luckily no one missed their vessel and the ships sailed on time. It was a glorious but difficult day and the busiest day the terminal has ever been.

There will be two ships arriving on August 15 and two more on September 28 and September 29. Port staff is already in contact with Princess cruises and Metropolitan Stevedores regarding operational issues.

The Port normally has two parking control officers at the terminal; last Wednesday, there were seven. Mr. Dailey discussed sensitivity training with the deputy director of Dept. Parking and Traffic. Staff is also looking at closing one lane of traffic on the Embarcadero for a number of hours during the peak periods of embarkation/disembarkation of the vessel. Staff is also looking at the possibility of staging cars and trucks at Pier 31. Port staff will strive to do better and work with Metropolitan about liaison with the Princess Cruise Lines.

Commissioner McCarthy indicated that in light of the fact that the Port is trying to get more cruise business, it is important to coordinate the efforts between all parties so as not to repeat what happened last Wednesday. She concurred with Mr. Dailey's recommendation about sensitivity training for the DPT parking control officers.

4. CONSENT CALENDAR

5. MARITIME

6. REAL ESTATE

7. FACILITIES & OPERATIONS

A. Authorization to advertise for competitive bids for Construction Contract No. 2661, Pier 52 Parking Lot Project. (Resolution No. 99-35)

Ms. Carleen Ho, Project Manager, indicated that on March 9, 1999, the Port Commission authorized the rejection of construction bids for Contract No. 2609, "Pier 52 Public Boat Launch and Support Facilities Project," and authorized staff to

explore recommendations for bidding the construction of the parking lot as a separate project. Based on comments from the recreational boating community, Port staff concludes that the 40-space boat trailer parking lot and the crosswalk between the parking lot and the existing ramp are the most important elements of the project. Ms. Ho presented the parking lot and related improvements as a separate construction project for bidding.

Ms. Ho recommended that the Port Commission approve the advertisement of bids for this construction project. The project will include a 40-space pull-through boat trailer parking lot, undergrounding of four overhead utility poles along the parking lot and a new crosswalk signal featuring an LED warning system.

The project scope of work includes contractor mobilization, site clearing and grubbing, asphalt paving and striping, labor and supervision, construction materials and equipment to complete the work as set forth in the construction documents. The current engineer's estimate including a 10% contingency is approximately $550,000. The cost estimate is based on the previous bids opened on December 11, 1998 for the Pier 52 Boat Launch project. The bids submitted by the contractors for the parking lot averaged approximately $350,000. However, the electrical undergrounding work was not included in this total, because it was presumed that PG&E would perform this work and the Port would pay PG&E for their services. However, due to the deregulation of the utility companies, PG&E has a tremendous backlog and would likely delay completion of this work by six months. Therefore, staff has decided to include the electrical utility work under this contract.

The Port Commission previously accepted a grant from the Department of Boating and Waterways in the amount of $198,000 for the construction of the Parking Lot. In addition, the Port Commission has approved the expenditure of $1.4 Million in capital funds to design and construct the improvements at the Pier 52 site, and an additional $150,000 for electrical pole relocation as part of the parking lot construction.

Ms. Ho requested Commission's approval to authorize staff to advertise for competitive bids for Construction Contract No. 2661, Pier 52 Parking Lot Project and approval of a time period not to exceed 120 days after opening of bids in which to award the contract to the lowest responsible and responsive bidder.

Corinne Woods, Bayview Boat Club, thanked staff, particularly Carleen Ho, Dan Bell and Paul Osmundson for the work they have done to keep this project moving. She emphasized the importance of having the parking lot built before the ballpark opens. She invited the Commission to attend the public meeting at the Bayview Boating Club on June 26 to get the boating community to support the grant and the public boat launch ramp.

Commissioner McCarthy congratulated Carleen Ho for her promotion at Muni and hoped that someday she returns to the Port with her newfound experiences .

ACTION: Commissioner Lee moved approval; Commissioner Brandon seconded the motion. All of the Commissioners were in favor; Resolution No. 99-35 was adopted.

8. PLANNING & DEVELOPMENT

A. Authorization to issue a Request for Qualifications and Proposals for the development and lease of Pier 30-32 and Seawall Lot 330 as the James R. Herman International Cruise Terminal and Bryant Street Pier Project. (Resolution No. 99-36)

Ms. Anne Cook, Waterfront Development Project Manager, requested Commission's authorization to issue a Request for Qualifications and Proposals ("RFQ/P") for the Development and Lease of Pier 30-32 and Seawall Lot 330 as the James R. Herman International Cruise Terminal and Bryant Street Pier Project.

The Bryant Street Pier Project site consists of approximately 12.8-acre Pier 30-32 and 2.8-acre Seawall Lot 330. The Site is identified in the *Waterfront Land Use Plan* as one of the Port's most attractive development opportunities. The *Waterfront Plan* designates the Site as part of the "Bryant Street Mixed Use Opportunity Area" which includes Piers 30-32, 34, 36 and Seawall Lot 330. According to the *Waterfront Plan*, the vast size of Pier 30-32 offers an excellent opportunity for a large public-oriented mixed-use project with a significant maritime component, public access and open space. The *Waterfront Plan* states that the Project should become a signature piece in the South Beach neighborhood. The *Waterfront Plan* identifies a range of acceptable uses for Pier 30-32 and Seawall Lot 330 that can be incorporated into the overall development program for the Site.

Last October, the Port Commission approved Resolution No. 98-108 through which the Port Commission selected Pier 30-32 as the preferred location for the James R. Herman International Cruise Terminal. The resolution authorized Port Staff to prepare a RFQ/P for the Bryant Street Pier Project.

In April, pursuant to the *Waterfront Plan*, Port Staff selected a group of well-qualified citizens and experts to participate in the Advisory Group for the project. A list of the members is attached to the staff report. On April 13, 1999, staff briefed the Port Commission on the Advisory Group's formation and process. Since that time, the Advisory Group has met three times to review and comment on the Project Goals and Objectives that will be incorporated into the RFQ/P, and completed their work on May 19th. The Advisory Group had asked and Port staff had agreed to meet with the group a few more times on this project. The following Project Goals and Objectives, incorporate the Advisory Group's comments. The Bryant Street Pier Project must achieve four major goals:

- Provide a signature mixed-use waterfront project which achieves a high level of year-round public use and support;

- Include development of the state-of-the-art James R. Herman International Cruise Terminal which enhances the Port's international reputation as a first-class cruise destination and preserves and creates new maritime jobs on this site and throughout San Francisco's waterfront;
- Achieve a use and design program which respects and complements the existing South Beach neighborhood; and
- Provide for the enhancement of the Port's financial position over the term of the leasehold.

Ms. Cook indicated that there are many particular objectives for this site such as planning and land use objectives which focuses on the types and quality of uses to ensure they complement the neighborhood, attract people to the site and allow people from the City and the Bay Region to enjoy the waterfront. These uses have to be consistent with the operations of a cruise terminal and allow for both current and projected growth use as well. Staff emphasized that the scale, intensity and design of the proposed uses must be compatible with the surrounding neighborhood. In addition, it should meet provisions of the Port's *Waterfront Land Use Plan* and Design & Access Element and comply with the "Good Neighbor" Development Standards set forth in the *Waterfront Plan;* in particular, some policies that address noise, circulation and handling of crowds in that area.

The Financial Objectives are as follows:

- Be consistent with the Planning and Land Use and Design Objectives, maximizing the Port's rental revenue from the Site over the term of the lease to help the Port achieve its public trust objectives to support maritime industries, providing public-oriented activities and open space improvements on the waterfront, and maintaining Port facilities.

- Invest substantial capital improvements in the Site for the development of a first-class international cruise terminal and mixed-use development.

- Guarantee a fair market rent, including a minimum monthly base rent, taking into consideration the public benefits being provided as part of the Project.

The Design Objectives are as follows:

- Provide a high standard of architectural design which is appropriate to the prominence of the Site and which establishes a waterside architectural identity for the South Beach neighborhood.

- Design an inviting, dynamic, functional, efficient and signature cruise terminal which also can be used for non-cruise events and programming.

- Meet the Port's Development and Design Guidelines set forth in the *Waterfront Plan* and its Design and Access Element, as well as pertinent policies of the City's General

Plan, which address such issues as views, height, building massing, orientation, transparency, building materials, exterior elevations, articulation and character.

Port staff has made extensive efforts to inform interested members of the public about the status and schedule for the Bryant Street Pier Project. In addition to the Port Commission hearings described above, Port staff has regularly attended the Rincon Point South Beach Citizen's Advisory Committee meetings to apprise the community of the Project. Port staff has widely distributed the Port Commission quarterly update on Port Planning and Development Projects, which includes a summary of the Bryant Street Pier Project.

Mr. Paul Osmundson, Director of Planning & Development, indicated that this is another exciting opportunity for the Port. The Commission has heard and observed the problems that exist at Pier 35. This is an opportunity for the Port to put together a partnership between a private developer and the Port to develop the James R. Herman Cruise Ship Terminal. Port staff recommends a selection process that would consist of the following steps:

1. Qualifications Phase - submittal of qualifications and a general project concept which would be evaluated by Port staff to create a "short list" of the most qualified respondents.

2. Proposals Phase - submittal of proposals from short listed developers; and

3. Exclusive Negotiations Phase - selection of a developer by the Port Commission and execution of an Exclusive Right to Negotiate.

Port staff was unable to provide newspaper notice of the May 25th Port Commission hearing in one newspaper no less than 10 days prior to this hearing consistent with Port Commission policy. However, Port staff instead published notice in two newspapers of general circulation, the San Francisco Examiner on May 19th and the San Francisco Independent on May 20th. In addition, on May 19th, staff mailed notice of the May 25th hearing to the entire Rincon Point-South Beach Citizen's Advisory Committee mailing list and provided a notice for faxing to the South Waterfront Alliance.

Schedule

- Solicitation of Qualifications and Proposals: June 4, 1999
- Pre-Submittal Conference and Site Tour: June 1999
- Developer Qualifications Due: July 26, 1999
- Solicitation of Proposals from "Short List": August 1999
- Developer Proposals Due: October 1999

Mr. Osmundson thanked Anne Cook for doing an outstanding job with the RFP/Q. He also thanked Carla Bragneshi, Cheryl Whitfield and the advisory group for their excellent input.

Under Exhibit B, Mr. Osmundson indicated that the Port proposes to lease back the cruise terminal from the developer and would prefer proposals that allow the Port to retain absolute control over the cruise terminal operations and all services related to such operations. Upon further consideration, Port staff believes that there may be several arrangements that would best meet the needs of the cruise ship industry in San Francisco. What was stated in Exhibit B may not be the best operating arrangement between the Port and the developer. He suggested that these requirements be modified to clarify that the developer should propose operating arrangements that clearly specify the relative role of the Port and the developer in the operation, management and control of the terminal.

Norman Pearce, Pier 40 Café business owner, commended the Port for reaching out to the community. He apprised the Commission that he has not heard any negative comments about this project.

Jennifer Clary indicated that Jane Morrison, who is vacationing in Paris, wished to thank the Commission for her appointment to the advisory committee. Ms. Clary was glad to hear that the advisory committee would have a continuing role on this project. Ms. Clary inquired about the parking requirement mentioned on Exhibit B. She asked if this is something the Port would like to encourage by including it in the RFP.

Commissioner McWilliams asked about the advisory group's discussions about the possibility of using hotel tax for public projects. He asked about the potential of petitioning the City to participate with the Port to better serve the citizens and provide a better project. Ms. Cook indicated that the hotel tax issue was brought up and was sensitively discussed. The committee recommended that this issue should be included in the RFQ. Ms. Cook indicated that the Port might consider public financing of some sort for some component of the project but that this issue should be discussed during the negotiation period and further project development. It is not known at this point whether this would be necessary and if there are other types of public transit to consider as well. Port staff does not want to narrowly focus on this issue at this point. This project is in such a scale that the acceptable uses are so broad and until we are further along with the process (programming of the space, how much open space BCDC requires, whether or not we have to remove Pier 34, etc.) this question could be better addressed at that time.

Ms. Cook indicated that the parking is a hot issue in the RFQ. BCDC and Planning Department have comments about the parking and staff will refine this in the RFQ. There is competing needs for the cruise line to have parking near the terminal and for the City not to encourage parking on the piers. Staff will address this carefully in the RFQ.

Commissioner Brandon asked about the selection process and whether the short-list of proposers will be brought to the Commission for their review prior to the exclusive negotiation period. Mr. Osmundson concurred that staff will present the short-list of proposers to the Commission for their review. Staff will seek Commission guidance on how to proceed to the next phase. Commissioner Brandon emphasized the importance of finding a qualified developer for this project especially their marketing ability to make the cruise ship terminal self-sustaining. She requested that the developers should be required to demonstrate their marketing ability specifically related to the cruise and travel industry. She asked that this criteria be included in the RFP/Q. Mr. Osmundson replied that staff will include this criteria in the RFP/Q and request the developer to explain their plan to market the Port as a cruise destination.

Mr. Osmundson thanked Peter Dailey, Gerry Roybal and his staff for their aggressive marketing to the cruise lines. Through their efforts, they were successful in obtaining more cruise calls for the Port this year.

Commissioner McWilliams clarified that there is a big difference between the idea of marketing the Port and for the purposes of attracting new passenger ships and advocating the change of the Passenger Services Act.

Commissioner Brandon clarified that it's not just for the cruise ship industry but the entire facility. She wanted to ensure that there is year round tourism and utilization of the facility.

Commissioner Lee indicated that all new cruise ships have over 3,000 passengers per vessel. He emphasized the importance of the facility being able to accommodate more passengers in the future. Mr. Osmundson indicated that those are the minimum requirements. Port staff will be working with the technical advisory committee and the developer to address this issue and to ascertain the cost.

Commissioner Lee asked if Piers 28 and 34 will be reserved for future expansion. Mr. Osmundson replied that last fall, the Port's cruise consultant indicated that there will be a chance that three ships will be homeported at the Port. That was a factor in the decision to which site (Pier 30/32 or 27/29) will be selected. When the Port gets to a point where a third berth is needed on a regular basis, that issue will then be addressed at that time. There's a possibility that this could be addressed on site; however, in either location, development of a third berth would require extensive dredging and pier work and is beyond the scope of this RFP/Q opportunity. Staff will certainly keep this in mind as they go through the design process.

Commissioner McCarthy seconded Commissioner Brandon's comments about the importance of the developer's: (1) marketing experience for the commercial development; (2) experience in operating cruise ship terminals and (3) providing a first-rate project. She recommended that these items be included in the RFP/Q. She congratulated Anne Cook for working with the advisory committee and asked that a

letter be sent to the advisory committee thanking them for their contributions to the project.

ACTION: Commissioner Hardeman moved approval; Commissioner Lee seconded the motion. All of the Commissioners were in favor; Resolution No. 99-36 was adopted.

B. Informational report on formation of the Northeast Waterfront Advisory Group and on schedule for preparing a Request for Proposals for a mixed-use Active Recreation development project at Piers 27-31½.

Mr. Paul Osmundon, Director of Planning & Development, indicated that on April 27, 1999, by Resolution No. 99-25, the Port Commission directed Port staff to commence the process prescribed in the *Waterfront Land Use Plan* for preparing a Request for Proposals for a mixed-use Active Recreation development project, with ancillary uses, for Piers 27-29 and possibly including Piers 29½-31½. Earlier this year, the Commission made the findings that Pier 27-29 was no longer needed exclusively for maritime/industrial cargo uses. Pursuant to the site development process stated in the *Waterfront Land Use Plan*, Port staff has formed the Northeast Waterfront Advisory Group to provide input and guidance to Port staff on the development concept to be included in this Request for Proposals for a mixed-use Active Recreation development project. The development concept for this project could be impacted by the results of the Piers 15-29 Special Planning Study, which is also required by the *Waterfront Plan*, and the Northeast Waterfront Advisory Group will therefore also advise Port staff on this special area study.

Mr. Osmundson clarified that BCDC has a special area plan, which is an element of the Bay Plan covering all of San Francisco. Port staff is in the process of updating that special area plan for all of Port's property to make it a BCDC Plan consistent with the *Waterfront Plan*. This Special Planning Study is a focused effort that deals with Pier 15-29 and intended to address issues related to removal of piers, historic preservation and development of open spaces. This study was established by Diane Oshima, Anne Cook and Noreen Ambrose because of the recognition that at the time the *Waterfront Plan* was being prepared, those piers were inactive industrial maritime use. The Special Planning Study and the update to the Special Area Plan are two separate but related efforts.

The first meeting of the Northeast Waterfront Advisory Group is scheduled for Thursday, June 3,1999 at 3:00 p.m. in the Port Commission Room of the Ferry Building and the Advisory Group is initially scheduled to meet on a weekly basis. The subsequent schedule for the Northeast Waterfront Advisory Group will be set with input from the Advisory Group and when established, this schedule will be added to the Port's calendar of Port meetings open to the public, which is sent out with the Port Commission package and is updated on the Port's web page (www.sfport.com). Announcements regarding the formation of the Northeast Waterfront Advisory Group and commencement of meetings are also being sent to

neighborhood organizations identified by the San Francisco Planning Department for the area bounded by Broadway, Columbus, and San Francisco Bay.

Port staff anticipates seeking Port Commission approval to issue this Request for Proposals for an active recreation development project in August 1999.

Commissioner McWilliams inquired if there are any labor representatives in the advisory group. Mr. Osmundson replied that there are no labor representatives at this time but will look into this matter.

Jennifer Clary, San Francisco Tomorrow, indicated that the Advisory Groups are hard working and responsible and believes that setting a deadline before the scope of the work would put an added burden on the group. Having an RFP out in August and asking a group of volunteers to meet through the summer is a bit much. She asked that August would be a tentative time until the group meets. She's concerned that the Special Area Plan and the Special Planning Study would not be completed by then. Mr. Osmundson replied that the schedule for the Special Planning Study and the Special Area Plan is anticipated to be completed. Port staff received from BCDC a draft of the Special Area Plan. The Special Planning Study has been in draft form completed at a staff level. There has not been public review and input on those documents. Staff believes that the schedule would allow for appropriate input by the group into finalizing the plan and providing input into the objectives and goals for the project.

Commissioner McCarthy inquired if the committee's work would be incorporated into the plan. Mr. Osmundson concurred. Port staff is working on the schedule that BCDC has proposed. BCDC is behind schedule in terms of submitting the documents. The first order of business for the Northeast Waterfront Advisory Group would be to address the Special Planning Study. Commissioner McCarthy suggested to take into consideration the summer. Mr. Osmundson concurred. As a general rule, advisory group members appreciate having a clear sense of what is expected of them and thus far, have not had any negative view of having specific time schedule to perform the work.

Commissioner Brandon recommended that the Port do a little bit more of outreach in forming the advisory groups. It seems like we tend to confuse advisory groups with community groups where the advisory groups suggestion would be incorporated into the process. Mr. Osmundson concurred.

9. FINANCE & ADMINISTRATION

10. NEW BUSINESS / PUBLIC COMMENT

Mr. Christopher Kyte, Majestic Group, indicated that the Project Lurline is the working title for the refit, restoration and return to its original home of San Francisco the Matson Line, S.S. Lurline. They propose returning the S.S. Lurline to San Francisco as a permanently docked cruise ship, museum and public venue offering restaurants, night

clubs and small boutique hotel. They have approached and worked with Douglas Wong, Philip Smith, Paul Osmundson, Nic Dempsey, all of whom have wonderful enthusiasm and support for this project. The Lurline is more identified with San Francisco as it is the most well-known passenger ship in the history of the Port. For decades, she was the best known liner operating out of San Francisco to the Pacific. From the early 1930s to the early 1970s, the Lurline was a regular visitor to the Port of San Francisco. The Lurline was homeported in San Francisco her entire life, with most of her crew drawn from San Francisco and the Bay Area. The Lurline and Matson have interchangeable names. It is the oldest passenger liner in the world, older than the Queen Mary. No ship afloat could compare to it.

Mr. Kyte indicated that he was intrigued to hear about Pier 35 because he worked there for many years for Matson and Pacific Far East Line and is familiar with Pier 35. His whole background has been in shipping. He now runs one of the country's largest cruise agencies, delivering people to Pier 35 and has stayed involved with shipping. Pier 35 was an integral part of town.

They propose to bring the ship back to San Francisco and open it to the public. For the first time in 30 years, the general public would have an access to a real ocean liner on the northern waterfront. The piers, currently underutilized, would allow more public access to the waterfront. They propose to put in a free admission maritime museum showing the history of shipping in the bay and the labor movement along the waterfront. They propose bringing the ship back to San Francisco and have the majority of the refit work done at the San Francisco Drydock. This would create at least 250 pre-opening jobs at San Francisco Drydock and all the restoration and local artists and craftsmen would do refit work on board. They plan on restoring the ship back to its original pre-war interior. In addition to the pre-opening shipyard jobs, there will be almost 300 full time employees on the ship once it opens. There will be an annual payroll of at least $8 million. Their numbers are conservative and do not reflect inflation. The revenue to the Port ($20 million over a ten-year period) is also a very conservative figure. The economic benefit to the City over a ten-year period, with no inflation shown, is $36 million.

Mr. Kyte indicated that he is confident with the local team that they have assembled.. They intend to use local operators for the restaurant and nightclub. They will work with and seek input from local groups and organizations. They believe they can do an excellent job. They not only have a better ship than all the alternatives but have a better Port as well. With the revitalized waterfront, that ship will once again be right where it should be. It is fitting that after all these years a ship that everyone thought was scrap, will be coming back to San Francisco.

11. EXECUTIVE SESSION

A. Vote on whether to hold closed session to confer with Legal Counsel and Real Property Negotiator.

ACTION: Commissioner Hardeman moved approval; Commissioner Lee seconded the motion. All of the Commissioners were in favor.

At 5:15 p.m., the Commission Secretary announced that the Commission would withdraw to executive session to discuss the following:

B. CLOSED SESSION

(1) CONFERENCE WITH REAL PROPERTY NEGOTIATOR - This is specifically authorized under California Government Code Section 54956.8. ***This session is closed to any non-City/Port representative.****

a. Property: Broadway Hotel Property Seawall Lot 324, 323, 322-1
Person Negotiating: Port of San Francisco: Paul Osmundson, Director of Planning & Development
*Stanford Hospitality, Inc.
*Promus Hotel Corporation/Koll Development

b. Property: Triangle property at Seawall Lot 301/302
Person Negotiating:
Port of San Francisco: Philip Smith, Director of Real Estate
*Alioto's: Nunzio Alioto

(2) CONFERENCE WITH LEGAL COUNSEL REGARDING ANTICIPATED AND EXISTING LITIGATION MATTERS:

a. Discuss significant exposure to litigation pursuant to subdivision (b) of the California Government Code Section 54956.9 (two cases).

b. Discuss existing litigation matter pursuant to subdivision (a) of the California Government Code Section 54956.9 (one case).

- Underwater World at Pier 39 and Aquabay, Inc., Jointly Administered Federal Bankruptcy Court (Northern District of Illinois) Case Nos. 99 B 07793 and 99 B 07796).

12. RECONVENE IN OPEN SESSION

At 6:15 p.m., Commissioners McCarthy, Brandon, Hardeman, McWilliams and Lee returned from executive session and convened in open session.

ACTION: Commissioner Brandon moved approval to not disclose any information discussed in executive session; Commissioner Hardeman seconded the motion.

The meeting was adjourned at 6:16 p.m.

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SPECIAL MEETING – PLEASE NOTE THE DATE/TIME OF THE MEETING
→→→3:00 P.M., TUESDAY, JUNE 8, 1999←←←
FERRY BUILDING, SUITE 3100
SAN FRANCISCO, CA 94111

AGENDA

1. **ROLL CALL**

2. **NEW BUSINESS / PUBLIC COMMENT**

   Public comment is permitted on any matter within Port jurisdiction and is not limited to agenda items. Public comment on non-agenda items may be raised during New Business/Public Comment. Please fill out a speaker card and hand it to the Commission Secretary. If you have any question regarding the agenda, please contact the Commission Secretary at 274-0406.

3. **EXECUTIVE SESSION**

   A. Vote on whether to hold closed session to confer with Legal Counsel and Real Property Negotiator.

   B. CLOSED SESSION

      (1) CONFERENCE WITH REAL PROPERTY NEGOTIATOR - This is specifically authorized under California Government Code Section 54956.8.
      This session is closed to any non-City/Port representative.

      a. Property: Pier 31
      Person Negotiating: Port of San Francisco: Philip Smith, Director of Real Estate
      *Majestic LLC: Christopher Kyte

      Under Negotiation: ___ Price ___ Terms of Payment ✓ Both
      An executive session has been calendared to discuss real estate negotiations between the Port and Majestic LLC regarding the Port property located at Pier 31.

      b. Property: Broadway Hotel Property Seawall Lot 324, 323, 322-1
      Person Negotiating: Port of San Francisco: Kirk Bennett, Waterfront Development Project Manager
      *Stanford Hospitality, Inc.: Anthony Carter

Under Negotiation: ___ Price ___ Terms of Payment ✓ Both
An executive session has been calendared to provide instructions to property negotiator regarding evaluation of proposals submitted for the Port property located at SWL 324, 323, 322-1.

c. Property: Pier 43-½, Pier 45, Shed A
Person Negotiating: Port of San Francisco: Kirk Bennett, Waterfront Development Project Manager
*Patio Sandwich Shops: Andy Kim
*Eleanor Silver: Eleanor Silver
*National Maritime Museum Association: Kathy Lohan
*Clarence L. Howle: Scotty Turner

Under Negotiation: ___ Price ___ Terms of Payment ✓ Both
An executive session has been calendared to provide instructions to real estate negotiator regarding existing lease with Patio Sandwich Shops dba Tait's at Pier 43-½, Eleanor Silver at Pier 45, National Maritime Museum Association at Pier 45 and Clarence L. Howle at Pier 43-½.

(2) CONFERENCE WITH LEGAL COUNSEL REGARDING ANTICIPATED LITIGATION MATTER:

a. Discuss significant exposure to litigation pursuant to subdivision (b) of the California Government Code Section 54956.9 (one case).

4. RECONVENE IN OPEN SESSION

A. Possible report on actions taken in closed session pursuant to Government Code 54957.1(a)2 and San Francisco Administrative Code 67.14(b)(2).

B. Vote in open session on whether to disclose any or all executive session discussions pursuant to Government Code 54957.1(a)(2) and San Francisco Administrative Code 67.14(b)(2).

5. ADJOURNMENT

CITY & COUNTY OF SAN FRANCISCO
PORT COMMISSION

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MINUTES OF THE SPECIAL MEETING
3:00 P.M., JUNE 8, 1999

1. **ROLL CALL**

Commission President Denise McCarthy called the meeting to order at 3:00 p.m. The following Commissioners were present: Denise McCarthy, Kimberly Brandon, Michael Hardeman, Brian McWilliams and Pius Lee.

2. **NEW BUSINESS / PUBLIC COMMENT**

3. **EXECUTIVE SESSION**

A. Vote on whether to hold closed session to confer with Legal Counsel and Real Property Negotiator.

ACTION: Commissioner Hardeman moved approval; Commissioner Lee seconded the motion. All of the Commissioners were in favor.

At 3:01 p.m., the Commission Secretary announced that the Commission will withdraw to executive session to discuss the following:

B. CLOSED SESSION

(1) CONFERENCE WITH REAL PROPERTY NEGOTIATOR - This is specifically authorized under California Government Code Section 54956.8.
This session is closed to any non-City/Port representative.

a. Property: Pier 31
Person Negotiating: Port of San Francisco: Philip Smith, Director of Real Estate
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(2) CONFERENCE WITH LEGAL COUNSEL REGARDING ANTICIPATED LITIGATION MATTER:

a. Discuss significant exposure to litigation pursuant to subdivision (b) of the California Government Code Section 54956.9 (one case).

4. RECONVENE IN OPEN SESSION

At 4:08 p.m., Commissioners McCarthy, Brandon, Hardeman, McWilliams and Lee returned from executive session and convened in open session.

ACTION: Commissioner Brandon moved approval to not disclose any information discussed in the executive session; Commissioner Hardeman seconded the motion. All of the Commissioners were in favor.

The meeting was adjourned at 4:08 p.m.

SAN FRANCISCO
PORT COMMISSION

REGULAR MEETING
4:00 P.M., TUESDAY, JUNE 8, 1999
FERRY BUILDING, SUITE 3100
SAN FRANCISCO, CA 94111

AGENDA

1. **ROLL CALL**

2. **APPROVAL OF MINUTES** - May 25, 1999 Regular Meeting

3. **EXECUTIVE**

   A. Executive Director's Report

4. **CONSENT CALENDAR**

   A. Adoption of amendment to the Rental Rate Schedule regarding rental rates for Pier 70, Building 11 (The Noonan Building). (Resolution No. 99-40)

5. **MARITIME**

   A. Approval of amending the San Francisco Port Commission Harbor Code to impose "no stopping" regulation on the north side of Cesar Chavez between Pier 80 Gate and Michigan Street. (Resolution No. 99-41)

   B. Approval of amending the San Francisco Port Commission Harbor Code Section 100 regarding regulation of advertising on San Francisco Bay. (Resolution No. 99-42)

6. **REAL ESTATE**

   A. Informational Presentation regarding an agreement with Majestic, LLC for berthing of the S.S.Lurline at Pier 31 for potential use as Hotel/Restaurant/Museum.

   B. Adoption of Negative Declaration and approval of sublease between the Port and Pacific Cement Corporation for 43,560 square feet of land for use as a concrete ready-mix facility on a portion of the Western Pacific Site, located adjacent to Pier 80. (Resolution No. 99-39)

7. FACILITIES & OPERATIONS

A. Approval of contract amendment with ROMA Design Group for the Downtown Ferry Terminal Project. (Resolution No. 99-37)

B. Authorization to award Contract No. 2659 for trail construction and landscaping at Pier 98 to the San Francisco League of Urban Gardeners. (Resolution No. 99-38)

8. PLANNING & DEVELOPMENT

A. Informational presentation of proposal by Stanford Hospitality, Inc. to develop hotel at Seawall Lots 324, 323 and 322-1 at Broadway and the Embarcadero.

9. FINANCE & ADMINISTRATION

10. NEW BUSINESS / PUBLIC COMMENT

Public comment is permitted on any matter within Port jurisdiction and is not limited to agenda items. Public comment on non-agenda items may be raised during New Business/Public Comment. Please fill out a speaker card and hand it to the Commission Secretary. If you have any question regarding the agenda, please contact the Commission Secretary at 274-0406.

11. ADJOURNMENT

REVISED (SEE ASTERISKS)
JUNE 1999

CALENDAR OF UPCOMING PORT MEETINGS - OPEN TO THE PUBLIC

Date	Time	Group	Location
Tuesday, June 8	4:00 pm	Port Commission Meeting	Port Commission Rm. #3100, Ferry Building
Thursday, June 10	3:00 pm	Northeast Waterfront Advisory Group	Bulkhead Offices Pier 31
Monday, June 14	5:30 pm	Southern Waterfront Advisory Committee	Port Commission Rm. #3100, Ferry Building
***Tuesday, June 15 (CANCELLED)**	**11:00 am**	**Waterfront Design Advisory Committee**	**Port Commission Rm. #3100, Ferry Building**
Thursday, June 17	3:00 pm	Northeast Waterfront Advisory Group	Port Commission Rm. #3100, Ferry Building
***Thursday, June 24 (ADDED)**	**9:00 am**	**Fisherman's Wharf Environ. Quality Advisory Committee**	**Scoma's Restaurant**
Thursday, June 24	3:00 pm	Northeast Waterfront Advisory Group	Port Commission Rm. #3100, Ferry Building
Tuesday, June 29	4:00 pm	Port Commission Meeting	Port Commission Rm. #3100, Ferry Building

Regular meeting of June 22nd rescheduled to June 29th.

NOTES:

The San Francisco Port Commission meets regularly on the 2nd and 4th Tuesday of the month at 4:00 pm. Contact Amy Quesada, Port Commission Secretary at 274-0406, to be placed on the mailing list for Commission meeting agendas.

The Rincon Point-South Beach CAC will meet at 4:00 – 6:00 p.m. on Wednesday, June 16, 1999 at Bayside Village, 501 First Street, entrance in the Bayside Club. Contact Amy Neches, Redevelopment Agency at 749-2450, for more information.

Port Website: Check out the Port's Website at **www.sfport.com**

Questions/Contacts

Pier 45 Advisory Group	Kirk Bennett	274-0545
Northeast Waterfront Advisory Group	Kirk Bennett	274-0545
Bryant Street Pier Advisory Group	Anne Cook	274-0483
Southern Waterfront Advisory Committee	Braj Norris	274-0540
Port of San Francisco Reception		274-0400

PORT OF SAN FRANCISCO

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San Francisco, CA 94111
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www.sfport.com

MEMORANDUM

June 3, 1999

TO: MEMBERS, PORT COMMISSION
Hon. Denise McCarthy, President
Hon. Kimberly Brandon, Vice-President
Hon. Michael Hardeman
Hon. Brian McWilliams
Hon. Pius Lee

FROM: Douglas F. Wong
Executive Director

SUBJECT: Adoption of Amendment to Rental Rate Schedule Regarding Rental Rates for Pier 70, Building 11 (The Noonan Building)

DIRECTOR'S RECOMMENDATION: APPROVE AMENDMENT TO RENTAL RATE SCHEDULE

BACKGROUND

On September 8, 1993, the Port Commission (Resolution No. 93-127 as amended by Resolution 93-135) delegated authority to the Executive Director to approve and execute leases on behalf of the Port, provided the terms of said leases met certain parameters (the Port's leasing policy.) These pre-approved parameters established minimum rental rates for different types of facilities and uses and set a maximum lease term of five years.

Pursuant to the Port's leasing parameters, the Port Commission has periodically approved Rental Rate Leasing Policy Schedules, which have set ranges of lease rental rates per square foot and ranges of net effective rental guidelines per square foot by type of use and facility. The Port Commission last adopted a Rental Rate Schedule in May 1998 by Resolution No. 98-34, which set rates for office and industrial space, but, did not set rates for art studio work space.

THIS PRINT COVERS CALENDAR ITEM NO. 4A

Therefore Port staff retained the real estate appraisal firm of Karen Ann Simons & Associates to conduct a comprehensive study of the art studio work space rental market as it relates to the Port's properties, and more specifically Pier 70 - Building 11 (The Noonan Building) to determine current market rental rates. This study which was completed included an overall analyses of the rental market and a survey of rental comparables. The findings, conclusions, and recommendations of this study are contained in a Market Rent Survey Appraisal Report prepared by Karen Ann Simons & Associates which was reviewed and approved by the Port's Real Estate staff.

RECOMMENDATIONS

Port staff proposes to amend the current rental rate schedule for art studio work space at Pier 70 - Building 11 to reflect the rental rates as derived in the aforementioned March 29, 1999 appraisal report.

The Commission approved Rental Rate Schedule presents two sets of rent rate ranges. The first, entitled Minimum Initial Lease Rental Rates, presents the rent range for the first year of the lease. The second, entitled Minimum Net Effective Rental Rates, presents the net effective rent calculated and applied over the lease term. This provides for the application of rent credits and/or the amortization of Port approved improvements to be constructed by the tenant. The proposed rental rates for art studio work space at Pier 70 - Building 11 are outlined below.

Minimum Initial Lease Rental Rates (Monthly per sq. ft.)	Minimum Net Effective Rental Rates (Monthly per sq. ft.)
$0.65 - $1.20	$0.65 - $0.85

With the adoption of this amendment to the Rental Rate Schedule, Port staff will be authorized to enter into leases without specific Port Commission approval of each lease provided that the lease conforms to all the pre-approved Leasing Parameters including the rental rates outlined above. Port staff would not be authorized to enter into leases at rental rates below those shown above without specific authorization from the Port Commission. This authorization would be conditioned upon Port staff providing the Commission within thirty days following each calendar month a summary of leases entered into during that month.

Prepared by: Mark W. Lozovoy, Sr. Property Manager

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 99-40

WHEREAS, by Resolution No. 93-127, adopted September 8, 1993, and as amended by Resolution 93-135, this Commission authorized the Executive Director to approve and execute leases that conform to all of the Leasing Parameters set forth in Resolutions No. 93-127 and 93-135; and

WHEREAS, said Leasing Parameters provide that leases so approved and executed shall have rents that conform to the Rental Rate Schedule adopted and amended periodically by the Port Commission; and

WHEREAS, Port staff, retained an independent real estate appraisal firm, which prepared a market appraisal that reflected the current art studio work space rental rate market; and

WHEREAS, based on the rental rates contained in the appraisal, Port staff recommends an amendment to the Rental Rate Schedule which would set rental rates for art studio work space located at Pier 70 – Building 11, as outlined in this Agenda Summary; now therefore be it

RESOLVED, that the Port Commission hereby approves and adopts the Amendment to Rental Rate Schedule, outlined in this Agenda Summary; and be it further

RESOLVED, that Port staff shall provide to the Commission within thirty days following each calendar month a summary of leases entered into and subleases or assignments consented to during that month.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of June 8, 1999

_____
Secretary

PORT OF SAN FRANCISCO

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MEMORANDUM

June 3, 1999

TO: MEMBERS, PORT COMMISSION
Hon. Denise McCarthy, President
Hon. Kimberly Brandon, Vice President
Hon. Michael Hardeman
Hon. Brian McWilliams
Hon. Pius Lee

FROM: Douglas F. Wong
Executive Director

SUBJECT: Approval of amending the San Francisco Port Commission Harbor Code to impose "no stopping" regulation on the north side of Cesar Chavez between Pier 80 Gate and Michigan Street.

DIRECTOR'S RECOMMENDATION: Approve Amendment of the San Francisco Port Commission Harbor Traffic Code.

The increased amount of business at Pier 80 and the use of the Western Pacific property by industrial users has caused a significant increase in vehicular traffic along Cesar Chavez Blvd from the Pier 80 gate to Third Street. Additionally, trucks and other motor vehicles are parking and double parking in this area adding to the continued incidents of street congestion. Expeditious access to Pier 80 is of vital importance to the Port's steamship line customers, therefore Port staff, in conjunction with the San Francisco Police Department and San Francisco Fire Department, have assessed the traffic situation in the area and recommend that the Port's Harbor Code be amended in order to establish a "No Stopping" zone along the north side of Cesar Chavez between the Pier 80 gate and Third Street. (See Exhibit A & B) in order to reduce the possibility of future accidents and liabilities as well as ease ingress and egress to Pier 80. The Port will contract the San Francisco Department of Parking and Traffic to purchase and install the signs at an approximate cost of $750.

Prepared by: Peter Dailey, Maritime Director

This Print Covers Calendar Item No. 5A

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 99-41

WHEREAS, The Port Commission of San Francisco (the "Commission") has the power and obligation pursuant to the City Charter and the Burton Act to use, conduct, operate, maintain, manage, regulate and control the Port area of San Francisco; and

WHEREAS, The Board of Supervisors delegated to the Port Commission the authority to adopt a Harbor Traffic Code pursuant to City and County of San Francisco Ordinance No. 40-69; and

WHEREAS, Expeditious access to Pier 80 is of vital importance to the Port's steamship line customers; and

WHEREAS, Port staff has assessed the traffic situation in the area and recommend that parking and stopping be prohibited in the area along the north side of Cesar Chavez Street between the Pier 80 gate and Michigan Street in order to reduce the possibility of future accidents and ease ingress and egress to Pier 80; and, now, therefore, be it

RESOLVED, That Article 3, Section 22 of the Harbor Traffic Code is hereby amended to read as follows (with new provisions shown in italics:)

> Section 22 . Parking Prohibited. Except as provided in Section 31, it shall be unlawful for the driver of any vehicle to stop the same or park for a longer period of time than is necessary for the actual loading or unloading and delivering of passengers or freight or packages upon the following areas:
>
> On all wharfs, bulkhead wharfs, piers, quays or storage areas unless otherwise designated.
> On all areas designated as loading zones.
> *On the north side of Cesar Chavez Street between the Pier 80 gate and the intersection at Michigan Street.*

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of June 8, 1999.

_____
Secretary

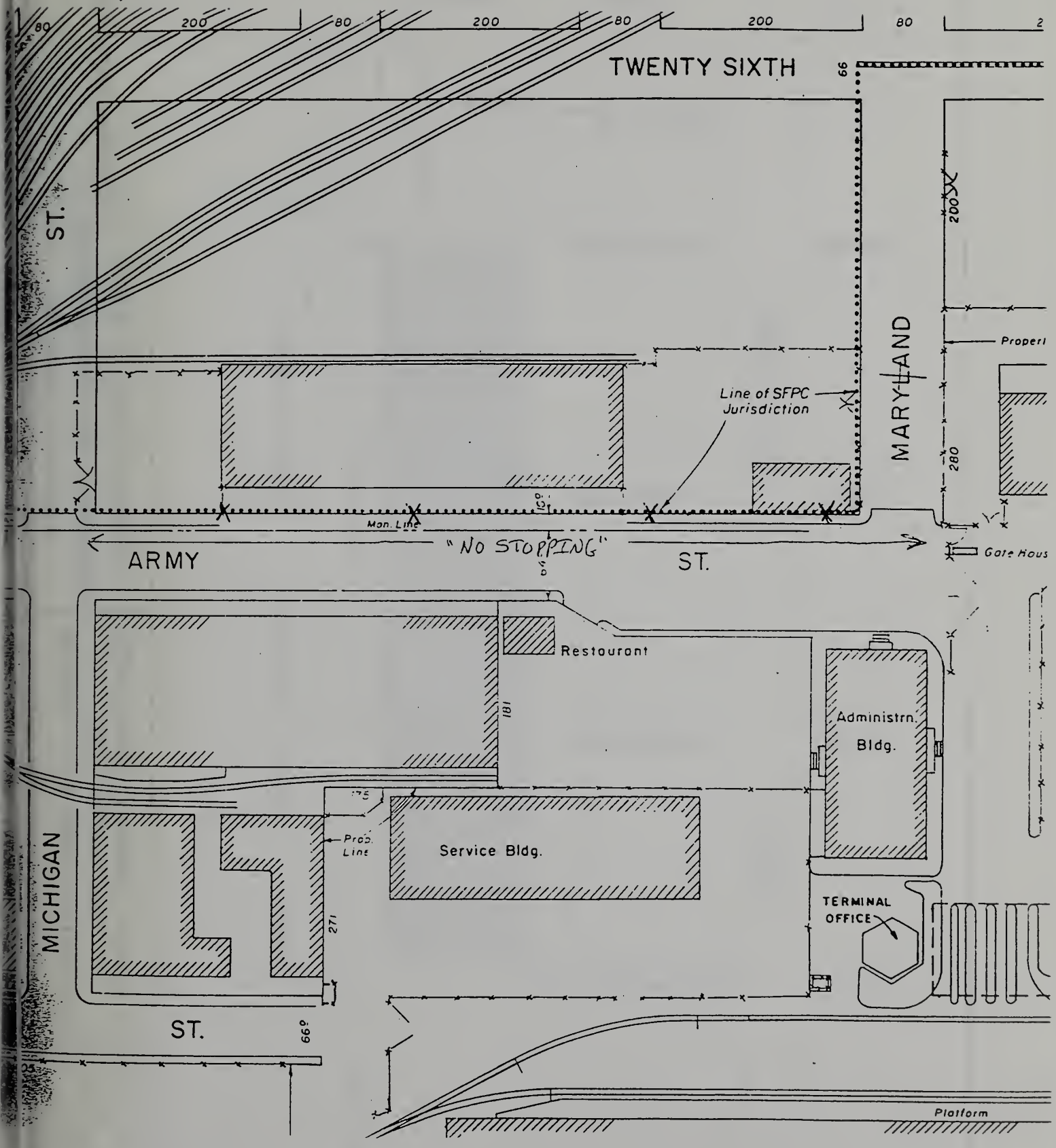

EXHIBIT "A"
"NO STOPPING"
SIGNAGE PLACEMENT
(APPROXIMATE)

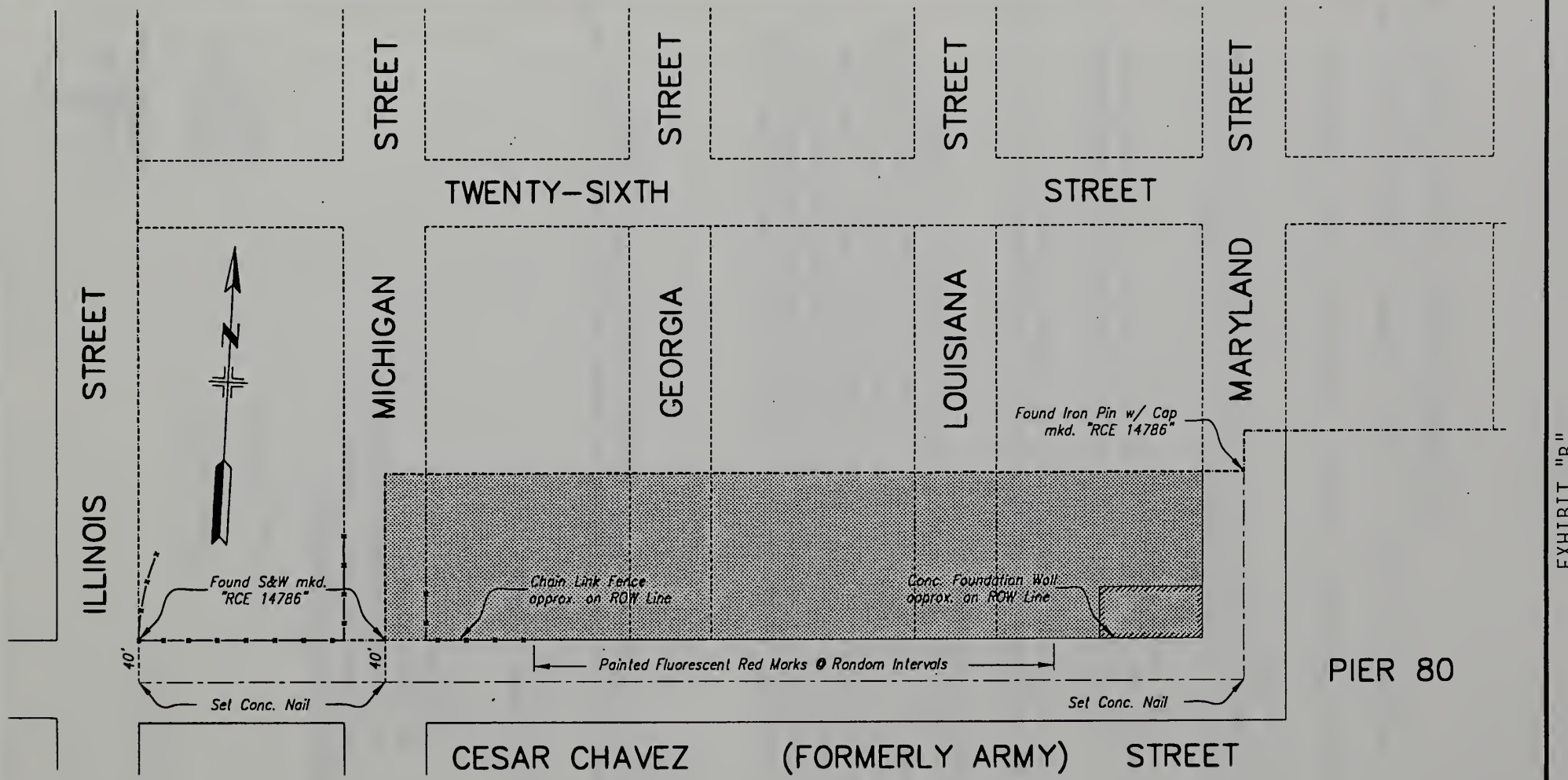

EXHIBIT "B"

Scale in Feet

75 0 75 150 225

PORT OF SAN FRANCISCO
SAN FRANCISCO PORT COMMISSION
DEPARTMENT OF ENGINEERING

CESAR CHAVEZ (FORMERLY ARMY) ST.
RIGHT-OF-WAY LINE
ADJACENT TO J. BURNS DRAYAGE CO.

IN CHARGE OF:	K. CHU
DRAWN BY:	AMN
DATA FILES:	XX
DRAWING NO.	BurnsCo.dwg
DATE:	03 MAY 99
SCALE:	1 = 150'
NO.	1 OF 1

PORT OF SAN FRANCISCO

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MEMORANDUM

June 3, 1998

TO: MEMBERS, PORT COMMISSION
Hon. Denise McCarthy, President
Hon. Kimberly Brandon, Vice-President
Hon. Michael Hardeman
Hon. Brian McWilliams
Hon. Pius Lee

FROM: Douglas F. Wong
Executive Director

SUBJECT: Informational presentation regarding the proposed berthing of the S.S. Lurline on the Northern Waterfront (Piers 31-35) as a fully functional hotel-ship passenger liner.

BACKGROUND

The Port has been approached by Majestic, L.L.C. ("Majestic") of Walnut Creek California with a request to enter into a memorandum of understanding regarding negotiations for the berthing of the former Matson Navigation Company passenger liner S.S. Lurline on the Northern Waterfront at a yet to be designated location at Piers 31, 33 or 35. Majestic's basic proposal would be to operate this historic passenger liner as a hotel restaurant, night club and museum venue with periodic passenger sailings on San Francisco Bay. Ultimately, and subject to securing all required regulatory approvals, Majestic would hope to permanently berth the vessel offering "stationary stateroom" hotel accommodations at a Northern Waterfront pier.

The S.S. Lurline is the oldest functioning passenger vessel in the world today and shares a rich history with the Port of San Francisco where she was home ported for nearly forty years.

The initial consensus of Port staff is that the return of the S.S. Lurline to its original San Francisco home could prove financially and culturally rewarding to the Port and the citizens of the City and County of San Francisco respectively.

Representatives of Majestic have sought this opportunity to make a formal presentation of their plans for this vessel and to respond to any questions from the Port Commission or members of the general public following their presentation.

This is an informational presentation only. No action is being requested by the Port Commission.

Prepared by: Nicholas J. Dempsey, Commercial Property Leasing Manager

THIS PRINT COVERS CALENDAR ITEM NO. 6A

PORT OF SAN FRANCISCO

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San Francisco, CA 94111
Telephone 415 274 0400
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www.sfport.com

MEMORANDUM

June 3, 1999

TO: MEMBERS, PORT COMMISSION
Hon. Denise McCarthy, President
Hon. Kimberly Brandon, Vice President
Hon. Michael Hardeman
Hon. Brian McWilliams
Hon. Pius Lee

FROM: Douglas F. Wong
Executive Director

SUBJECT: Adoption of Negative Declaration and approval of sublease between the Port and Pacific Cement Corporation for 43,560 square feet of land for use as a concrete ready-mix facility on a portion of the Western Pacific Site, located adjacent to Pier 80.

DIRECTOR'S RECOMMENDATION: **ADOPT NEGATIVE DECLARATION AND APPROVE SUBLEASE**

BACKGROUND

The Port and Catellus Corporation ("Catellus") are parties to the Port Land Transfer Agreement ("PLTA"), dated as of September 8, 1993. Under the PLTA, the Port agreed to transfer certain Port lands to Catellus in exchange for, among other things, the Western Pacific site located adjacent to Pier 80. Although Catellus terminated the Mission Bay Development Agreement in early 1996, the PLTA remains in effect. Catellus has expressed an interest in proceeding with the transfer under the PLTA, which is expected to be finalized in the summer of 1999.

In the interim, prior to the Port's receiving fee simple title to the Western Pacific site, the Port has leased the property from Catellus pursuant to a lease dated March 12, 1996 (Port Commission Resolutions 91-110 and 93-125, and Board of Supervisors Ordinance 52-92). The term of this lease is seven years, at a total rental of $7.00, payable in annual installments of $1.00 per year. Additionally, the Port pays all property taxes, assessments, and utilities related to the property.

THIS PRINT COVERS CALENDAR ITEM NO. 6B

Pacific Cement Corporation, LLC ("Pacific Cement") has proposed to sublease 43,560 square feet (1 acre) of the Western Pacific site bounded by the "paper streets", Louisiana Street, Twenty Fifth Street, Maryland Street and Twenty Sixth Street. Pacific Cement proposes to use the site for the operation of a concrete ready-mix facility.

Pacific Cement has applied for and has received all environmental clearances from the City and County of San Francisco Planning Department, Office of Environmental Review (OER). The Office of Environmental Review issued a Negative Declaration for the project on May 21, 1999, finding that the project would not have a significant effect on the environment. The Negative Declaration includes Mitigation Measures which are conditions included in the Sublease.

Port Commission policy requires that the Port Commission approve any lease providing for a use which is a change of "like-kind" use to the existing or immediately prior use of the facility. Because the site affected by the proposed lease has not been used for any purpose for some time, any use would constitute a change of "like kind" use to the existing or immediately prior use of the Western Pacific Site.

The Port Commission is also required to adopt certain findings under the California Environmental Quality Act ("CEQA") with regard to the Negative Declaration.

Port staff has negotiated the terms and conditions of a proposed sublease as outlined below.

Proposed Sublease Terms:

The fundamental business terms are set forth below:

1. **Premises**: 43,560 square feet (1 acre) of vacant land located on the Western Pacific Site and bounded by the "paper streets," Louisiana Street to the west, Twenty-fifth Street to the north, Maryland Street to the east and Twenty Sixth Street to the south. A Site Plan of the Premises is attached to this Agenda Summary as Exhibit A.

2. **Term**: Two (2) years commencing upon Commission approval of the Sublease.

3. **Use**: The operation of a concrete ready-mix plant including general administrative and maintenance uses directly related thereto, the shipping, receiving, storage and handling of construction materials, delivery and shipment by barge and truck, and for no other purpose.

4. **Base Rent**: $7,187.40 per calendar month (16.5 cents per square foot per month), $86,248.80 per year.

5. **Rent Credits**: None

6. **Removal Bond**: Pacific Cement shall deliver to the Port a performance bond (the "Removal Bond") in the initial amount of Eighty Thousand Dollars ($80,000.00) to secure Pacific Cement's obligation to remove all materials stored on the Premises and any improvements installed on the Premises. From time to time the Port may require that the amount of the Removal Bond be increased to reflect the Port's reasonable estimate of the cost to remove the quantity and type of materials stored on the Premises.

7. **Negative Declaration**: On May 21, 1999, the Planning Department of the City and County of San Francisco, office of Environmental Review issued a Notice of Determination of Negative Declaration for the operation of a concrete ready-mix operation on the proposed premises. A copy of the Notice of Determination is attached to this Agenda Summary as Exhibit B.

8. **MBE/WBE/LBE Goals**: The Sublease will require Tenant to meet certain goals regarding the hiring of minority, woman and locally owned businesses.

9. **Hazardous Materials**: Tenant is not permitted to handle contaminated soils. Tenant is not permitted to handle other hazardous materials on the Premises without the prior written consent of Port which will not be unreasonably withheld so long as it is necessary to Tenant's business and strictly complies with all environmental laws. The Sublease contains additional protective language approved by the Port's environmental staff, regarding storm water pollution prevention and notice requirements. In addition, Tenant must comply with certain mitigation measures for air and water quality, as suggested in the Waterfront Plan EIR, and through recommendations made by the Southern Waterfront Advisory Committee ("SWAC"), including preparing and administering a dust abatement program.

Prepared by: Mark W. Lozovoy, Senior Property Manager

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\\G:WP51\AGENDAS\Pacific Cement/L:vw/5/17/99

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 99-39

WHEREAS, Charter Section B3.581 empowers the Port commission with the power and duty to use, conduct, operate, maintain, manage, regulate and control the Port area of San Francisco; and

WHEREAS, the Port and Catellus Development Corporation ("Catellus") are parties to the Port Land Transfer Agreement ("PLTA") dated as of September 8, 1993. Under the PTLA, the Port agreed to transfer certain Port lands to Catellus in exchange for, among other things, the Western Pacific site located adjacent to Pier 80. The PTLA remains in effect. Catellus has expressed an interest in proceeding with the transfer under the PLTA; and

WHEREAS, in the interim, prior to the Port receiving fee simple title to the Western Pacific site, the Port has leased the Western Pacific site from Catellus pursuant to a lease dated March 12, 1996 (Port Commission Resolution 91-110 and 93-125) and Board of Supervisors' Ordinance 52-92; and

WHEREAS, Port Commission approval is being sought for a Sublease of a portion of the Western Pacific Site as set forth within Sublease No. L-12645 between the Port and Pacific Cement Corporation, LLC ("Pacific Cement"), the terms of which are set forth in the Memorandum of Agenda Item 6B for the Port Commission meeting of June 8, 1999; and

WHEREAS, on April 24, 1999, the Planning Department of the City and County of San Francisco, Office of Environmental Review issued for public review a Preliminary Negative Declaration (Case No. 98.624E) for the use of the premises affected by proposed Sublease No. L-12645 as an outdoor concrete ready-mix facility; and

WHEREAS, on May 21, 1999, the Planning Department issued the City and County of San Francisco Office of Environmental Review a final Negative Declaration (Case No. 98.624E) for the proposed use of the Premises affected by proposed Sublease No. L-12645 as an outdoor concrete ready-mix facility; now therefore, be it

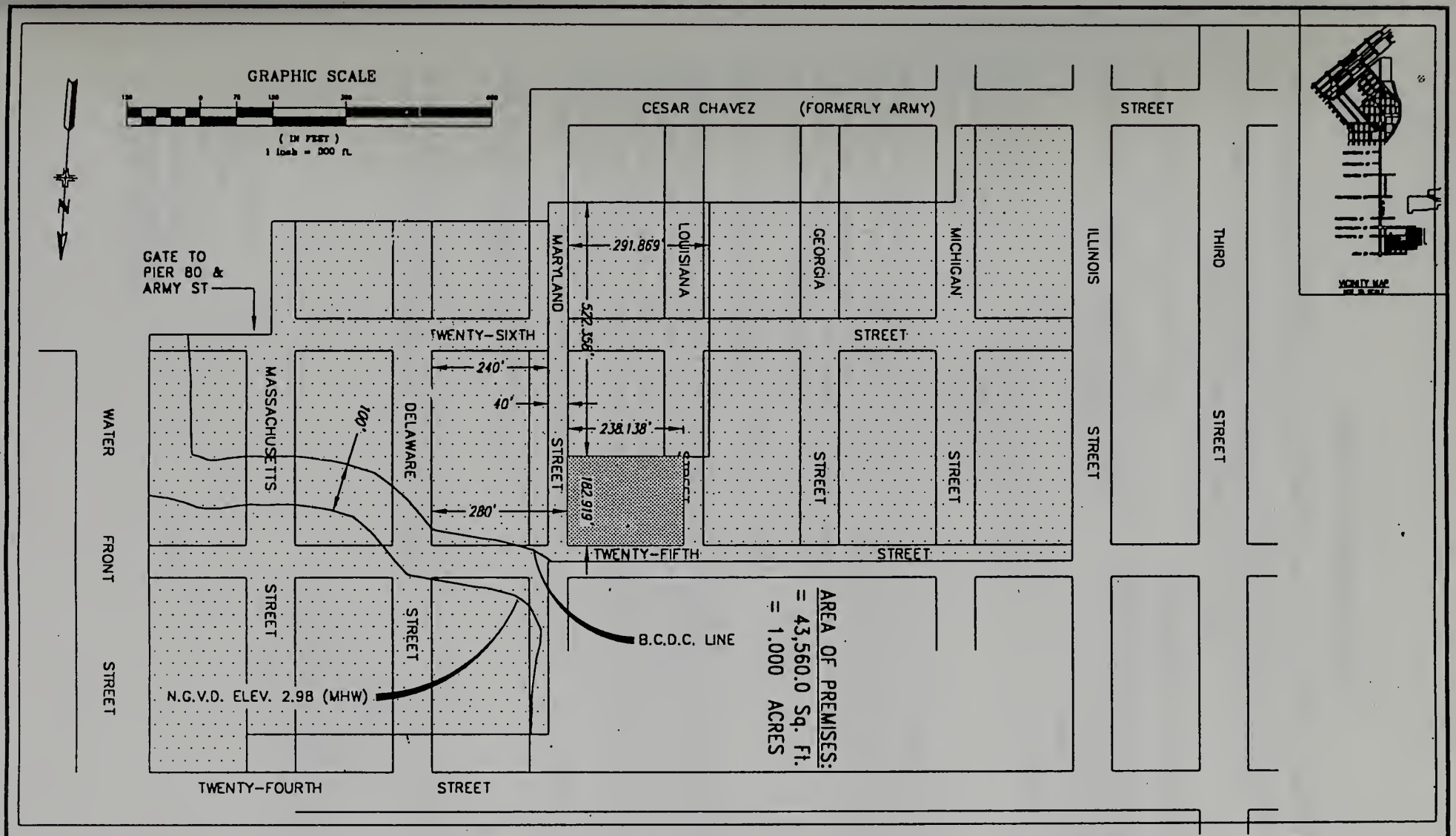
RESOLVED, the Port Commission has considered and reviewed the final Negative Declaration and adopts said final Negative Declaration including, without limitation, the requirement of compliance with the Mitigation Measures set forth on pages 18-21, inclusive, of the final Negative Declaration (the "Mitigation Measures") and hereby finds and determines that the use of the premises affected by proposed Sublease No. L-12645 as an outdoor concrete ready-mix facility will have no significant impact on the environment, and adopts and incorporates the findings of the final Negative Declaration, Case No. 98.624E issued by the Planning Department of the City and County of San Francisco, Office of Environmental Review, a copy of which is on file with the Secretary of the Port Commission and be it further

RESOLVED, that the Port Commission hereby approves Sublease No. L-12645 between the Port and Pacific Cement incorporating: (1) the business terms set forth in the Memorandum for Agenda Item 6B for the Port Commission meeting on June 8, 1999, and (2) the Mitigation Measures, and authorizes the Executive Director or his designee to execute the Sublease, and to take such further action as may be required to implement the Sublease.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of June 8, 1999.

_____
Secretary

EXHIBIT A



APPROVED BY
SAN FRANCISCO PORT COMMISSION
DATE _____

_____
CHIEF HARBOR ENGINEER

PORT OF SAN FRANCISCO
SAN FRANCISCO PORT COMMISSION
DEPARTMENT OF ENGINEERING

PACIFIC CEMENT CO.
LEASE No. L-12645

DESIGNED BY: J. SOBOL	CHECKED BY: ---
DRAWN BY: AMN	DATE: 03 JUN 98
DATA FILE: ---	SCALE: 1" = 200'
DRAWING NO. PJ_LEASE.DWG	SHEET NO. 1 OF 1 SHEETS

INITIALS: PORT_____ TENANT_____

NEGATIVE DECLARATION

Date of Publication of Preliminary Negative Declaration: April 24, 1999; Amended May 21, 1999

Lead Agency: City and County of San Francisco, Department of City Planning
1660 Mission Street, San Francisco, CA 94103

Agency Contact Person: Diane Wong **Telephone:** (415) 558-6322

Project Title: 98.624E - 25th & Maryland Streets Concrete Batch Plant

Project Sponsor/Contact: Pacific Cement Corporation, Ricardo Ramirez (415) 656-2305

Project Address: 25th & Maryland Streets
Assessor's Block and Lot: Block 4300, Lot 1
City and County: San Francisco

Project Description: Within the northern portion of Lot 1 of Assessor's Block 4300, at 25th and Maryland Streets, proposed establishment of an outdoor concrete batch plant for the on-site manufacture of concrete on an approximately 1.2-acre site. The site is privately owned, leased by the Port of San Francisco, and subleased to the current project sponsor. Equipment would be temporary (for about three years) and portable. The site is located within an M-2 (Heavy Industrial) zoning district.

Building Permit Application Number, if Applicable: N/A

THIS PROJECT COULD NOT HAVE A SIGNIFICANT EFFECT ON THE ENVIRONMENT. This finding is based upon the criteria of the Guidelines of the State Secretary for Resources, Sections 15064 (Determining Significant Effect), 15065 (Mandatory Findings of Significance) and 15070 (Decision to Prepare a Negative Declaration), and the following reasons as documented in the Initial Evaluation (Initial Study) for the project, which is attached: -Over-

Mitigation measures, if any, included in this project to avoid potentially significant effects: See pages 18-21

Final Negative Declaration adopted and issued on 5/21/99

In the independent judgement of the Department of City Planning, there is no substantial evidence that the project could have a significant effect on the environment.

HILLARY E. GITELMAN
Environmental Review Officer

cc: Lisa Fernandez
Sponsor
Port of San Francisco
Distribution List
Bulletin Board/MDF

G:\WP51\CONCRETE\PND.WPD

INTRODUCTION

On January 9, 1997, the San Francisco Planning Commission certified an Environmental Impact Report for the Port of San Francisco Waterfront Land Use Plan. The Waterfront Land Use Plan (WLUP) is intended to guide future development of Port properties and to satisfy requirements of Proposition H, passed by the voters in November 1990. The document contains land use policies, specifying acceptable and unacceptable land uses. The EIR analysis describes at a general level of detail existing conditions of waterfront property under the jurisdiction of the Port, and potential impacts that could result from the proposal.

Since certification of the EIR for the WLUP, the outlook for the Southern Waterfront subarea described and analyzed in the EIR has changed. Increases in construction activity resulting from the current healthy economy have led to an increased demand for construction materials. A number of construction materials companies involved in concrete production, gravel, and concrete and rock crushing have located within the Southern Waterfront, and several more have expressed interest in operating in the area. Recycling and other non-construction related industrial tenants have also located in the area or have proposed to do so.

A Supplemental EIR (SEIR) will be prepared to evaluate the impacts of the largest of the Port's proposed tenants involved in the production of construction materials and other potential future tenants/uses on the Southern Waterfront. Cumulative impacts of current uses and anticipated future uses will be analyzed in that document. The SEIR will be prepared in the near future, following selection of technical consultants and solicitation of public input on the scope of the SEIR analysis.

The proposed project described below is a concrete mixing operation that is portable, small in size and production capacity, and temporary (about three years). In the long term, after the temporary lease expires, the project sponsor would like to relocate his concrete mixing operation to Pier 92 and to have the entire operation, including plant and raw materials (sand and rock) within an enclosed building. The location of these types of uses at Pier 92 will be evaluated in the future SEIR described above. However, in the interim, the short term temporary impacts of the project's location at 25th and Maryland Streets is analyzed in this Initial Study. As discussed and analyzed below, the impacts resulting from this small project would be insignificant in relation to existing environmental conditions, and the project's contribution to potential cumulative impacts resulting from the menu of potential future Port tenants would be de minimis.

PROJECT DESCRIPTION

The proposed project entails the establishment of an outdoor concrete manufacturing plant at the southwest corner of Maryland and 25th Streets. The plant would be temporary at this location for a period of about three years. The site would include one portable batch concrete manufacturing plant, stacker, automated hopper; holding areas for clean washed sand and clean washed aggregate; one cement silo of about 1,500 cubic feet with bag house dust collector; one fly ash silo of about 1,000 cubic feet with bag house dust collector; and one aggregate compartment. According to the sponsor, ninety percent of concrete manufactured would be used to supply the needs of contracts implementing City and County of San Francisco public works projects.

Facility Design: The site would be fenced at a height of about 6 feet around the perimeter of the leasehold, cleared of debris, and paved with gravel and concrete. The eastern part of the facility would be developed as a receiving and loading area. About 10 parking spaces for mixer trucks and 20 parking spaces for employee cars would be provided on-site. Within the center of the site would be a level and accessible area for the cement batch plant, stacker and hopper and other components noted above.

Concrete Transport and Handling: Pacific Cement Corporation would request approximately 400 linear feet of dock space at Pier 80 so that raw aggregate material can be barged and then transported to the project site 7-10 times per year. The sponsor has indicated that aggregate would arrive only by barge, rather than by train or truck. From Pier 80, the material would be loaded on trucks, which would cross Pier 80 to the proposed manufacturing plant (a distance of about 1/3 of a mile).

It is anticipated that on a monthly basis, about 800 to 1,000 cubic yards of concrete would be manufactured. Manufactured material would be dumped into mixer trucks and then delivered to various construction sites. The sponsor estimates that about twenty-two mixer truck trips per day to/from the site would occur. Trucks transporting the concrete would enter the site through a gate located at the southeastern portion of the project site along Maryland Street.

The concrete manufacturing facility would require a permit from the Bay Area Air Quality Management District (BAAQMD) and must be managed in accordance with the standards and requirements of Regulation 8, Rule 40 of the BAAQMD. The throughputs, fuel, materials consumption, capacities, and hours of operation described in the ministerial Air Quality Permit granted to the operator of the facility would be the maximum allowed.

PROJECT SETTING

The project site is the northern portion of Lot 1 of Assessor's Block 4300, at 25th and Maryland Streets. The proposed facility would be located on vacant land bounded by 25th, Maryland, Cesar Chavez, and Louisiana Streets; only Cesar Chavez is improved roadway. The site is within the eastern portion of the Potrero Hill area of the City along the Southern Waterfront (See Figure 1, Project Location Map). It is approximately 1.2-acres (see Figure 2, Site Plan), and within an M-2 (Heavy Industrial) zoning district.

The site lies on a portion of vacated rail switching yard that was used by Western Pacific Railroad and is currently privately owned, but leased by the Port of San Francisco. The site would be subleased to the project sponsor. All rails, ties and buildings on this site have been dismantled.

A concrete recycling and crushing facility exists directly to the south adjacent to the project site. The Port of San Francisco North Container Terminal at Pier 80 is located to the east and southeast of the site. A crane storage facility and a PG&E site is located to the north. To the south across Cesar Chavez Street is the San Francisco Municipal Railway Maintenance yard. The City is seeking a site in the area to which to relocate a temporary homeless shelter.

The site is separated by several blocks from residential and commercial areas. The closest residential uses to the site are along Third and Tennessee Streets between 23rd and 24th Streets, about 1/3 of a mile away. Concerns have been expressed by residents of the Bayview-Hunters Point neighborhood who perceive the Southern Waterfront area as a part of their community, and as a potential (existing and future) source of air pollutants. The Bayview-Hunters Point neighborhood experiences some of the highest hospitalization rates in California for asthma, hypertension, congestive heart failure, and diabetes mellitus, as well as high rates of cancer.[1]

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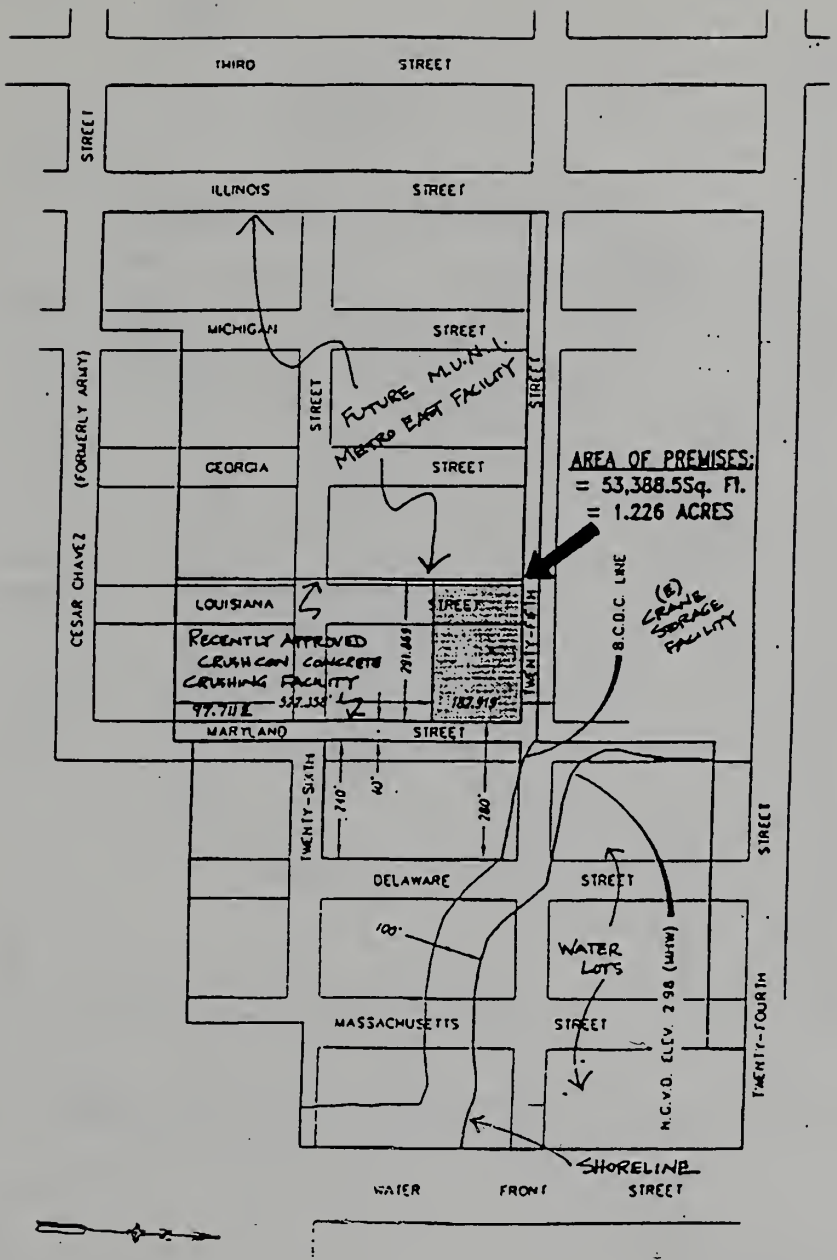
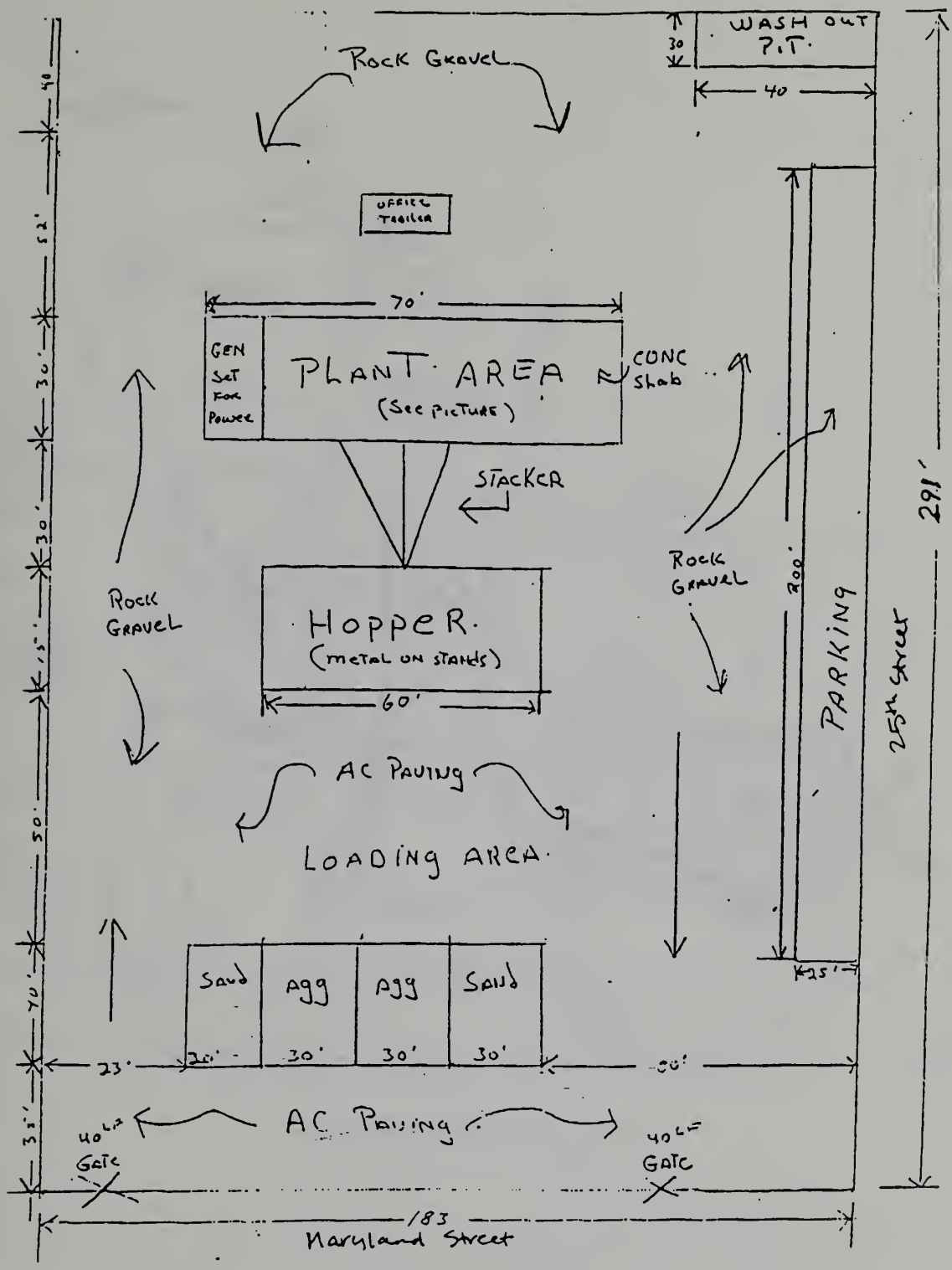
[1] Tomas Aragon, MD, MPH & Kevin Grumbach, MD. "Community Health Profile; Bayview Hunters Point Health & Environmental Assessment Project," July 19, 1997; Eva R. Glazer, MD, MPH, Martha M. Davis, MSPH, and Tomas Aragon, MD, MPH. "Cancer Indecence Among Residents of the Bayview Hunters Point Neighborhood, San Francisco , California 1993-1995," January 1998.



Scale: 1" = 300'

SOURCE: The Port of San Francisco

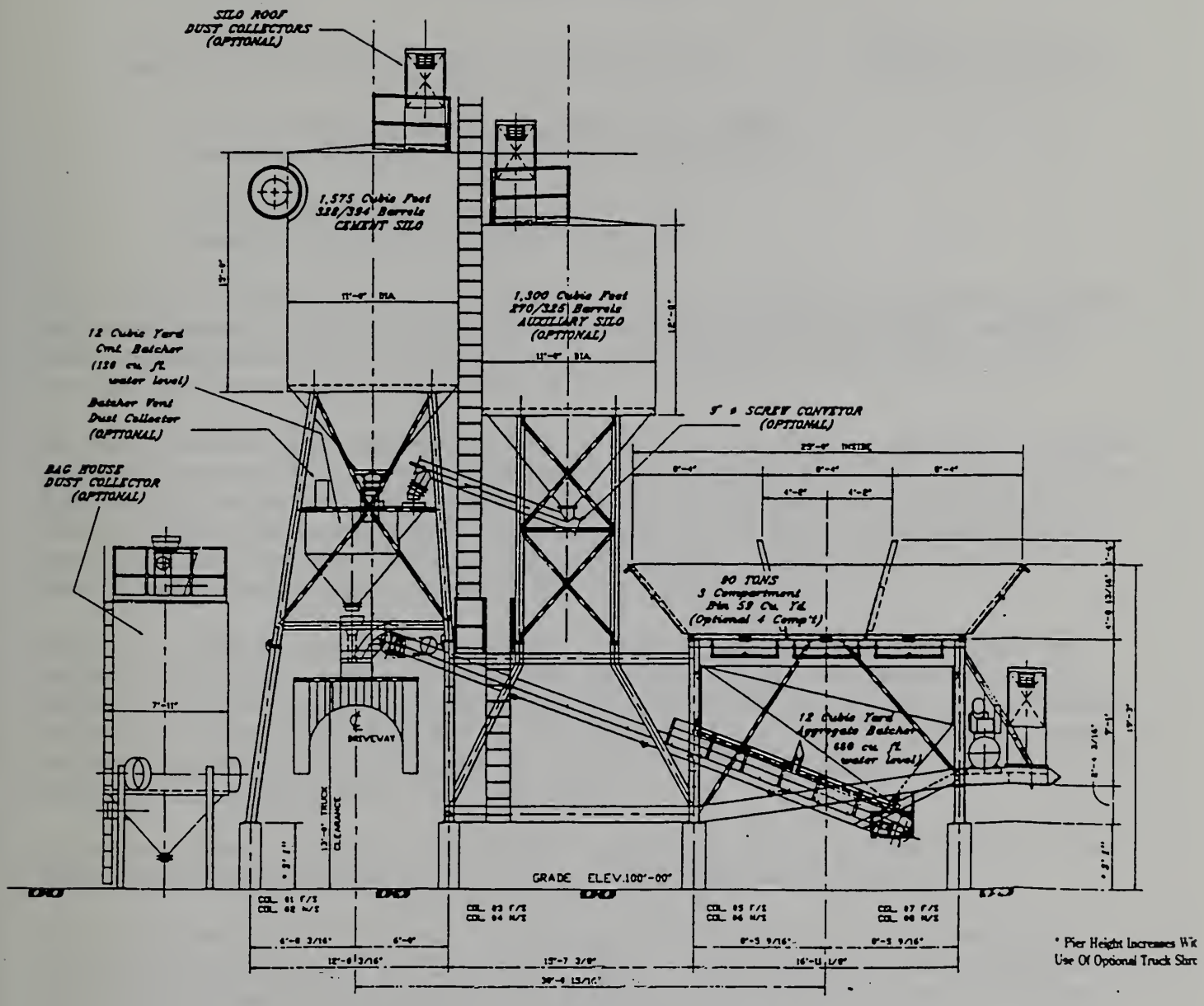
98.624E: 25th & Maryland Concrete Batch Plant
Figure 1
Project Location



SOURCE: Pacific Cement Corporation

98.624E: 25th & Maryland Concrete Batch Plant

Figure 2
Site Plan


SILO ROOF DUST COLLECTORS (OPTIONAL)
1,575 Cubic Foot 528/394 Barrels CEMENT SILO
1,300 Cubic Foot 570/325 Barrels AUXILIARY SILO (OPTIONAL)
12 Cubic Yard Cmt. Batcher (150 cu. ft. water level)
Batcher Vent Dust Collector (OPTIONAL)
BAG HOUSE DUST COLLECTOR (OPTIONAL)
5' ø SCREW CONVEYOR (OPTIONAL)
80 TONS 3 Compartment Bin 59 Cu. Yd. (Optional 4 Comp'ts)
12 Cubic Yard Aggregate Batcher 680 cu. ft. water level)
DRIVEWAY
13'-9" TRUCK CLEARANCE
GRADE ELEV.100'-00"
* Pier Height Increases Wit
Use Of Optional Truck Stor

M-12 WITH AUXILIARY SILO AND TRUCK CHARGING DUST COLLECTOR

SOURCE: Besser Apco Division (Manufacturer)

98.624E: 25th & Maryland Concrete Batch Plant
Figure 3
Elevation of Typical Mobile Batch Plant

INITIAL STUDY CHECKLIST AND DISCUSSION

A. COMPATIBILITY WITH EXISTING ZONING AND PLANS	Not Applicable	Discussed
1) Discuss any variances, special authorizations, or changes proposed to the City Planning Code or Zoning Map, if applicable.	_	✓
2) Discuss any conflicts with any adopted environmental plans and goals of the City or Region, if applicable.	✓	_

The Planning Code, which incorporates by reference the City's Zoning Maps, governs permitted uses, densities, and the configuration of buildings within San Francisco. Permits to construct new buildings (or to alter or demolish existing ones) may not be issued unless either the proposed project conforms to the Code, or an exception is granted pursuant to provisions of the Code.

The proposed development is consistent with the site's M-2 (Heavy Industrial) zoning designations. To acquire an approved lease with the Port, a permit would be required from the Bay Area Air Quality Management District (BAAQMD). Permits and approvals required from City agencies would include: The San Francisco Port Commission approval of a leasing agreement between the Port and the operator; and Port engineering office approval of grading and building permits. Requirements of Article 20 regarding testing for toxics do not have to be met since there is no proposed excavation or disturbance of the existing surface.

The project is located more than 100 feet from the shore of San Francisco Bay and is therefore outside the jurisdiction of the Bay Conservation and Development Commission (BCDC). The site area is identified as a "Port Priority Use Area." As such, recommended uses for activities at the Port Priority Use Areas are those that offer support to maritime activities at the Port or uses considered temporary in nature. The proposed concrete batch plant would be considered a temporary use at the project site, involving no permanent structures. It would not preclude maritime support uses on the site in the future.

The property is within a 40-X Height and Bulk District, which permits structures to a height of 40 feet, with no bulk limitations. The proposed project would comply with the height and bulk requirements.

Environmental plans and policies are those, such as the Bay Area '97 Clean Air Plan, that directly address physical environmental issues and/or contain targets or standards which must be met in order to preserve or improve specific components of the City's physical environment. BAAQMD permit requirements described above are one way policies of the Clean Air Plan are implemented.

The City's General Plan, which provides general policies and objectives to guide land use decisions, contains some policies which relate to physical environmental issues. The proposed project, which would construct a temporary industrial use on industrially-zoned property, would not obviously or substantially conflict with any such policy. In general, potential conflicts with the General Plan are considered by decision makers independently of the environmental review process, as part of the decision whether to approve, modify or disapprove a proposed project. Any potential conflict not identified here could be considered in that context, and would not alter the physical environmental effects of the proposed project.

In November 1986, the voters of San Francisco approved Proposition M, the Accountable Planning Initiative, which added Section 101.1 to the Planning Code to establish eight Priority Planning Policies. These policies are: preservation and enhancement of neighborhood-serving retail uses; protection of neighborhood character; preservation and enhancement of affordable housing; discouragement of commuter automobiles; protection of industrial and service land uses from commercial office development and enhancement of resident employment and business ownership; maximization of earthquake preparedness; landmark and historic building preservation; and protection of open space. Prior to issuing a permit for any project which requires an Initial Study under CEQA or adopting any zoning ordinance or development agreement, the City is required to find that the proposed project is consistent with the Priority Policies.

B. POTENTIAL ENVIRONMENTAL EFFECTS

1) Land Use. Could the project:	Yes	No	Discussed
(a) Disrupt or divide the physical arrangement of an established community?	_	✓	_
(b) Have any substantial impact upon the existing character of the vicinity?	_	✓	✓

Land uses within 1,000 feet of the site include large paved areas for the Port of San Francisco North Container Terminal, the PG&E facility, the former drayage facility and the crane storage site. A concrete recycling and crushing facility exists directly to the south adjacent to the project site. The site is located on filled lands that have been cleared of weeds, brush and debris. There are no areas that could be considered natural. The development of the proposed project would not involve any new permanent structures. The proposed temporary structures would be approximately 26 - 36 feet in height. The proposed project would involve temporary industrial use of industrially zoned property. The proposed temporary use of the site is consistent with the existing industrial character of the area and would not result in any adverse effects on land use in the vicinity. (Potential physical impacts resulting from industrial use of the site are discussed by topic, below).

2) Visual Quality	Yes	No	Discussed
(a) Have a substantial, demonstrable negative aesthetic effect?	_	✓	_
(b) Substantially degrade or obstruct any scenic view or vista now observed from public areas?	_	✓	✓
(c) Generate obtrusive light or glare substantially impacting other properties?	_	✓	_

The proposed project site is in an industrial area and lies approximately 500 feet south of the nearest existing shoreline access at Warm Water Cove Park, a small undeveloped waterfront park that provides visitor access to Bay views and a fishing pier. The park is only minimally maintained, and the proposed project would not interfere with eastward views of the Bay. The project site is about 4 blocks (about 1,100 feet) from the proposed Bay Trail alignment at Third Street. There are no public views or vistas now available that would be affected by the project. The site is relatively flat. Some views across the site of San Francisco Bay may be obstructed as seen from some private properties to the west. However, the project would not obstruct scenic views from public areas. The impact upon private views would be limited and would not be considered a significant environmental effect. The proposed project is not expected to generate obtrusive light or glare.

3) Population		Yes	No	Discussed
(a)	Induce substantial growth or concentration of population?	_	✓	✓
(b)	Displace a large number of people (involving either housing or employment)?	_	✓	✓
(c)	Create a substantial demand for additional housing in San Francisco, or substantially reduce the housing supply?	_	✓	_

The proposed site is now vacant and its use would not displace housing or employment. The project sponsor estimates that about 8 people would be employed at the facility. The small number of people that would access the site daily would not be considered to significantly impact area-wide population.

4) Transportation/Circulation		Yes	No	Discussed
(a)	Cause an increase in traffic which is substantial in relation to the existing traffic load and capacity of the street system?	_	✓	✓
(b)	Interfere with existing transportation systems, causing substantial alterations to circulation patterns or major traffic hazards?	_	✓	_
(c)	Cause a substantial increase in transit demand which cannot be accommodated by existing or proposed transit capacity?	_	✓	✓
(d)	Cause a substantial increase in parking demand which cannot be accommodated by existing parking facilities?	_	✓	✓

Traffic impacts associated with the project would not be significant relative to the existing capacity of the surrounding street system. The project site is within several blocks of Third Street, a major arterial. Access to the site would be via Cesar Chavez Street, the nearest paved roadway. Cesar Chavez Street east of Third Street is two unmarked lanes, one lane in each east-west direction. Traffic in the immediate vicinity was observed to be moderate during the day. However, the intersection of Third and Cesar Chavez Streets is projected to operate at level of service F (jammed conditions) in the future (horizon year 2015), taking into account proposed major developments such as Mission Bay, Hunters Point Shipyard, Third Street Light Rail, and the Candlestick Point Stadium and Mall. As discussed below, the number of trips that would be generated by the proposed concrete batch plant would be negligible relative to existing and projected traffic conditions. Project traffic would not by itself cause the level of service at the nearest major intersection (Third and Cesar Chavez Streets) to deteriorate to an unacceptable level during the p.m. peak hour, and projected cumulative impacts would occur whether or not the proposed project is implemented. Thus, the project's contribution to cumulative traffic impacts would be considered less than significant.

About 7-10 times per year, raw materials for concrete production would be barged in at Pier 80, and then transferred by truck a short distance to the 25th & Maryland Streets site. No materials would arrive by train. The traffic generated by the facility would be mainly from the cement mixer trucks, which would leave and return to the site daily to and from construction sites. The project sponsor estimates about 22 mixer truck trips per day. Transportation of materials to and from the site would result in a small increase in truck traffic in the eastern area of the Cesar Chavez Street corridor. Access and exit from the site would use Maryland Street from Cesar Chavez and U.S. 101. The sponsor believes that the heaviest truck traffic would occur in the early morning, from about 7:00 a.m. to 8:30 a.m. Remaining truck trips would occur throughout the day. The plant would generally close at about 4:30 p.m. or 5:00 p.m., and any remaining truck trips during the p.m. peak hour

(4:30 p.m. - 5:30 p.m.), if any, would be relatively few and would not significantly impact area-wide traffic conditions. There may be times, depending upon hours of construction at the various construction sites served, when mixer truck deliveries may need to occur during or after the p.m. peak hour. Again, it is expected that the number of truck trips during these hours would be relatively few, and would not significantly affect traffic conditions. Just west of the project site, MUNI plans to establish a storage facility for some of its light rail vehicles, which would add traffic to the area. Traffic counts for the Third Street Light Rail Project EIS/EIR (certified November 8, 1998) indicate that about 1,900 vehicles travel along Third Street just north of Cesar Chavez during the p.m. peak hour. It is projected that this number would increase to 2,850 in the year 2015. Given the existing levels of truck and vehicular traffic in this area, the projected number of trips (22 truck trips per day) from the proposed project would not be large enough to change the operative levels of service or be considered a significant addition to existing or projected conditions.

The approximately 8 people to be employed at the facility would likely drive to and from the site. Therefore, about 8 automobile trips would be added to area traffic during the p.m. peak hour. This number is low and would be undetectable to drivers in the vicinity.

The project's impact on area parking availability would also not be substantial. The proposed project would generate a parking demand by workers to the facility. The parking demand generated by employees is estimated to be a total of 8 parking spaces. The site would have the capacity for up to about 20 off-street parking spaces for employees. Therefore, the project is expected to meet its off-street parking demand and would not significantly affect parking conditions in the area.

Construction of the proposed project might temporarily affect traffic and parking conditions in the vicinity. Site preparation would include minor grading, and equipment would be installed. These construction activities are expected to last approximately one month. Trucks would deliver and remove materials to/from the site during working hours, and construction workers would drive to/from the site. These effects would be a minor and temporary inconvenience to those who work or live in the area and would not substantially change the capacity of the existing street system or permanently alter the existing parking conditions.

The only transit line along Third Street in the vicinity of the project site is the 15 Third. No other transit lines are within a reasonable walking distance. Given the isolated site location, and the limited availability of transit to the site, it is unlikely that workers would use public transit. Any increased in transit demand would be negligible and would not noticeably affect transit service in the area. Similarly, the relatively light levels of truck and vehicular activity to and from the site, once in operation, would not interfere with existing MUNI service or the existing MUNI maintenance yard.

5)	Noise		Yes	No	Discussed
	(a)	Increase substantially the ambient noise levels for adjoining areas?	_	✓	✓
	(b)	Violate Title 24 Noise Insulation Standards, if applicable?	_	✓	_
	(c)	Be substantially impacted by existing noise levels?	_	✓	_

An approximate doubling of traffic volumes in the area would be necessary to produce an increase in ambient noise levels noticeable to most people. Given the existing elevated noise levels in the area due to traffic along Third Street, the project would not cause a doubling in traffic volumes and therefore would not cause a noticeable increase in the ambient noise level in the project vicinity.

The proposed site is located in an industrial area. Land to the west and adjacent to the site is vacant. A former drayage site, now used for bus, truck, and RV storage is located to the southwest. The Port of San Francisco North Container Terminal is located to the east and southeast of the site. A crane storage facility and a PG&E site is located to the north. The San Francisco Municipal Railway Maintenance Yard is located to the south across Cesar Chavez Street. No noise-sensitive land uses are currently located within 1,000 feet of the project site.

The equipment and trucks used for project construction and operation would use the best available noise control techniques to minimize construction and operational impacts. The cement batch plant and other equipment used at the plant would meet the requirements of the San Francisco Noise Ordinance. Because the project would comply with the Noise Ordinance, no significant noise impacts would result from the project.

The proposed construction or site preparation activity could generate noise that may be considered an annoyance by occupants of nearby properties. Construction noise is regulated by the San Francisco Noise Ordinance (Article 29 of the City Police Code). The ordinance requires that noise levels of construction equipment, other than impact tools, not exceed 80 decibels at a distance of 100 feet from the source. Impact tools (jackhammers, pile drivers, impact wrenches) would unlikely be used, since only minor grading and paving would be necessary to prepare the site. Section 2908 of the Ordinance prohibits construction between 8:00 p.m. and 7:00 a.m. if noise would exceed the ambient level by five decibels at the property line, unless a special permit is authorized by the Director of Public Works. Because construction noise is regulated and is temporary and intermittent, it would not be expected to result in a significant impact. Construction and site preparation activities are estimated to last approximately one month.

6)	Air Quality/Climate	Yes	No	Discussed
(a)	Violate any ambient air quality standard or contribute substantially to an existing or projected air quality violation?	_	✓	✓
(b)	Expose sensitive receptors to substantial pollutant concentrations?	_	✓	✓
(c)	Permeate its vicinity with objectionable odors?	_	✓	_
(d)	Alter wind, moisture or temperature (including sun shading effects) so as to substantially affect public areas, or change the climate either in the community or region?	_	✓	✓

Construction-Period. The project may involve some grading of the site during site preparation. During grading, dust emission would increase particulate concentrations near the site. To avoid significant exposure of persons to particulates, the project sponsor would require the contractor to dampen the construction site at least twice a day during construction to reduce particulates by at least 50 percent; would require covering soil, sand and other material, including the covering of material on trucks hauling soil or other loose materials; and would require street sweeping around construction sites at least once per day (see Mitigation Measure #1, page 18). With implementation of these measures, no significant construction air quality impacts would be generated by the project.

BAAQMD Thresholds. The Bay Area Air Quality Management District (BAAQMD) has established thresholds for projects requiring its review for potential air quality impacts. These thresholds are based on minimum size projects and trip generation rates which the District considers capable of producing air quality problems due to motor vehicle use. The project would occupy about 1.2 acres (53,389 square feet) of a vacant site. As discussed

above under "Transportation/Circulation," it is estimated that about 22 truck trips would occur daily. Assuming 24 daily trips for the anticipated 8 employees (8 incoming trips in the morning, 8 outgoing trips in the evening, 8 trips in the afternoon), a total of about 46 daily trips are estimated. This translates into a daily trip rate of 0.86 trips per 1,000 square feet. For comparison, the BAAQMD guidelines indicate that a light industrial building of about 590,000 square feet with a trip rate of 7.0/1,000 square feet, or a warehouse of about 820,000 square feet with a trip rate of 4.9/1,000 square feet could potentially result in significant emissions. The proposed project would fall well below those thresholds. Therefore, no significant air quality impacts resulting from vehicle emissions would be expected based upon the BAAQMD guidelines.

With respect to particulate matter, the BAAQMD recommends that project impacts be considered significant if they cause operation-related emissions equal to or exceeding 80 pounds per day of PM10 (particulate matter less than ten microns in diameter). According to equipment specifications, the stationary equipment put in place by the proposed project would generate about 13.2 pounds per day of PM10, well below the Air District threshold.

BAAQMD Permit. The concrete batch plant operation would require a permit from the BAAQMD. On the basis of information furnished to the BAAQMD, a ministerial permit would be granted to construct and start up the project. The concrete plant would be new and would use clean washed raw materials to manufacture the concrete product. The equipment would contain dust suppression devices, come equipped with dust bag collectors, and would meet all Federal and State requirements. Further, the project site is surrounded by industrial uses and not within an area of sensitive receptors. If the BAAQMD deemed it necessary, conditions may be placed on the permit. Such conditions may include, but may not necessarily be limited to, the following: establishing limits on visible dust emissions from equipment; limiting the amount of raw materials used at the site to produce concrete product; limiting the amount of cement used at the site; requiring that areas which are currently gravel or dirt be paved; limiting the number of trucks entering and exiting the site; requiring that truck wheels be waterwashed before entering public roadways; limiting the amount of concrete product produced; or limiting the amount of additives to the concrete product.

The BAAQMD has inspectors who routinely visit sites on a periodic basis and perform visual inspections to ensure that no permitted facilities contain obvious permit violations. Review by the BAAQMD of the permit application and any conditions attached to this permit regarding construction and operating techniques, and periodic inspections by the BAAQMD would assure that potential project-specific impacts related to stationary source emissions would be reduced to a level of insignificance.

Cumulative Impacts: Stationary Source Emissions. Representatives of the Bayview-Hunters Point community have expressed concerns regarding air quality in their neighborhood, including the cumulative effects of multiple potential emission sources, such as multiple concrete processing facilities.[2] Two recent studies by the City's Department of Public Health addressed health issues in the nearby community. The first study concluded that for the period 1991 to 1992, neighborhood residents had among the highest hospitalization rates in all age groups in the State of California for asthma, hypertension, congestive heart failure, and diabetes mellitus. The study also showed high rates of cancer, breast cancer mortality, and other causes of death, and suggested that "the poor health status of residents in BVHP reflects, in large part, racial disparities in health status among San Francisco

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[2] Letter from Golden Gate University, Environmental Law and Justice Clinic, on behalf of the Southeast Alliance for Environmental Justice, May 1, 1998.

residents."[3] The second study showed that cancer incidence during the 1993 to 1995 period was not meaningfully higher among the neighborhood population than among their counterparts in the rest of the Bay Area. [4] Neither study attempted to determine the effects of environmental factors on health, however, concerns regarding human health and potential environmental factors persist, and are heightened by the concentration of air polluting industries in the neighborhood.

As discussed, the proposed project would be adjacent to an existing concrete crushing/recycling facility. Several construction materials businesses are proposed in the vicinity. Among them are a proposed concrete batch plant at Pier 80 (RMC Lonestar), a proposed gravel operation at Pier 92 (Kaiser/Bode), and a proposed concrete recycling and crushing operation at 25th & Maryland (Ryan Engineering). Together, the equipment of these three facilities and the proposed project would generate an estimated 70-80 pounds per day of PM10. When combined with other possible future projects, and with mobile source emissions, cumulative impacts could exceed the project-specific standard of 80 pounds per day, possibly by a factor of two or more. Of the potential total cumulative emissions, only a small amount (about 13.2 pounds) would be attributable to the proposed project, and if cumulative emissions exceed the 80 pounds per day standard, they would be likely to do so with or without the proposed project.

It should be noted that the current proposed project is small in size and temporary. Also, the ability of the project to contribute to cumulative air quality impacts would be limited by current State and Federal standards upon equipment and any conditions imposed upon the BAAQMD permit. Nonetheless, the project sponsor and the Port have agreed to the mitigation measures identified in this document to ensure that particulate emissions are reduced to the fullest extent feasible (see Mitigation Measure # 2, page 19). With this mitigation measure, and within applicable regulatory standards, the project would not be considered to contribute considerably to potential cumulative air quality impacts (see CEQA Guidelines Sections 15064(h) and 15065). These measures would further reduce the proposed project's contribution to potential cumulative air emissions.

Cumulative Impacts: Mobile Source Emissions

Recently, new information has become available regarding the potentially harmful effects of diesel emissions. While there is still a great deal that is unknown about these emissions, the State's Air Resources Board (ARB) has recently designated the particulates in diesel emissions as a Toxic Air Contaminant (TAC). TACs are defined as substances which may "cause or contribute to an increase in mortality and serious illness, or which may pose a present or potential hazard to human health."[5]

According to a recent ARB publication, "diesel exhaust is a complex mixture of thousands of gases and fine particulates . . . the composition will vary depending on engine type, operating conditions, fuel composition, lubricating oil, and whether an emission control system is present." Diesel emissions are on the decline in California, due to improvements in fuel and vehicle technologies, and future exposures are projected to be lower than current exposures. According to the same source, "Exposures to diesel exhaust are difficult to precisely quantify because of its complex composition, and because many of its components are also emitted from other sources, such as tobacco smoke, manufacturing emissions, and woodsmoke."

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3 Tomas Aragon, MD, MPH & Kevin Grumbach, MD. "Community Health Profile; Bayview Hunters Point Health & Environmental Assessment Project," July 19, 1997.

4 Eva R. Glazer, MD, MPH, Martha M. Davis, MSPH, and Tomas Aragon, MD, MPH. "Cancer Indecence Among Residents of the Bayview Hunters Point Neighborhood, San Francisco , California 1993-1995," January 1998.

5 SF Chronicle, August 28, 1998. -- and -- CA Health & Safety Code Section 39655.

Staff of the ARB have estimated total air exposure concentration of diesel exhaust particulate matter in California at 1.5 ug/m3. Near-source exposures to diesel emissions occur near busy roads and intersections, near oil and gas production areas, shipping docks, and other areas where diesel engine use is common. According to a 1993 study, concentrations of diesel exhaust particulates adjacent to freeways can exceed the total air exposure estimate by about six times (10 ug/m3), and can exceed the outdoor ambient air concentration (2.2 ug/m3) by about five times. The ARB has not established a threshold below which no significant adverse health effects are anticipated, citing a lack of available information, but does project ambient levels of diesel exhaust PM10 to be reduced by about 20 percent from 1995 to 2010 due to emission reductions.[6]

The Islais Creek area has historically been industrial in character, and recent land use decisions regarding Port property suggest that this character will be perpetuated. Specifically, the Port's Waterfront Land Use Plan envisions the continuation of industrial and maritime industrial uses on Port property in the vicinity, and recent leases have authorized a recycling facility at Pier 96, and several firms which process construction materials in the vicinity. All of these uses would result in truck trips, diesel emissions, and particulate emissions, as would potential future traffic increases associated with projected housing and employment growth in the City. As discussed, a Supplemental EIR to the Waterfront Land Use Plan EIR will be undertaken. The Port is also considering the construction of a bridge across Islais Creek to accommodate rail cars and truck traffic traveling between Pier 80 and Pier 96. If the bridge is constructed, truck traffic along Third Street would be reduced.

Rather than being brought in by truck or train, raw materials for the proposed concrete plant would be brought in by barge to Pier 80 (about 7-10 barge trips per year), and then transferred by truck the short distance between Pier 80 and the project site. As discussed above, auto and truck trips resulting from the proposed project are expected to be relatively few. The estimated number of daily truck trips resulting from the four projects proposed in the area and discussed above (RMC Lonestar, Kaiser/Bode, Ryan Engineering, and the project analyzed here, Pacific Cement) totals approximately 592 daily truck trips. Of these trips, only about 22 trips would be attributable to Pacific Cement, the subject project. This would be a small (3.7 percent) contribution to the estimated cumulative level of truck activity. The proposed project could not therefore contribute in a substantial way to area-wide diesel emissions. Nonetheless, in order to reduce emissions from diesel, the project sponsor has agreed to (1) experiment with diesel fuel additives that reduce emissions for both diesel trucks and on-site equipment, pending receipt of grant funding to retrofit vehicle engines; and (2) to increase the number of inspections of heavy-duty vehicles pursuant to California's Periodic Smoke Inspection Program from one inspection per year to two inspections per year (Mitigation Measure #3, page 21).

Cumulative Impacts: BAAQMD Guidelines. The BAAQMD CEQA Guidelines (April 1996) states that a project will not have a significant cumulative impact if all of the following are true: (1) the proposed project does not individually have a significant impact; (2) the proposed project is consistent with the general plan (i.e. does not require a general plan amendment); and (3) the general plan is consistent with the regional air quality plan (in this case, the Clean Air Plan). According to the BAAQMD CEQA Guidelines, if these three standards are met then no further analysis regarding cumulative impacts is necessary.

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6 Air Resources Board and the Office of Environmental Health Hazard Assessment, "Executive Summary; for the 'Proposed Identification of Diesel Exhaust as a Toxic Air Contaminant.' April 22, 1998. -- and -- California Environmental Protection Agency Air Resources Board, "Initial Statement of Reasons for Rulemaking: Staff Report; Proposed Identification of Diesel Exhaust As a Toxic Air Contaminant," June 1998.

As explained above, the proposed project would not individually result in a significant impact for all of the reasons already discussed. As a temporary industrial use on industrially zoned land, the proposed project is consistent with the General Plan and would not require a general plan amendment. Lastly, the San Francisco General Plan is consistent with the Clean Air Plan. The Air Quality Element of San Francisco's General Plan contains policies which are comparable to transportation control measures of the Clean Air Plan. Many policies in the Transportation Element and Air Quality Element seek to discourage auto usage and encourage public transit use. Residential and mixed-use developments in and close to the downtown area and other centers of employment are encouraged in order to reduce vehicle miles traveled. The South Bayshore Area Plan includes policies to achieve a separation or buffer between residential uses and industrial uses. Objectives of the Air Quality Element include the following: to adhere to state and federal air quality standards and regional programs; to reduce mobile sources of air pollution, through implementation of the Transportation Element of the General Plan; to decrease the air quality impacts of development by coordination of land use and transportation decisions; to improve air quality by increasing public awareness regarding the negative health effects of pollutants generated by stationary and mobile sources; to minimize particulate matter emissions from road and construction sites; and to link the positive effects of energy conservation and waste management to emission reductions. As the three BAAQMD standards described above are met, the project is considered to have no significant cumulative impact, and therefore no further analysis regarding cumulative impacts is necessary.

The proposed temporary portable structures would add new shade to the subject site as well as to surrounding properties to the north, east, and west. However, no portion of the project would exceed 40 feet in height, and the proposal would therefore not be subject to Section 295 of the Planning Code (Proposition K) which protects certain public open spaces from shadowing by new structures during the period between one hour after sunrise and one hour before sunset, year round. Because of the heights of the proposed structures and the distance from other existing buildings in the vicinity, the net new shading which would result from the project's construction would be limited in scope, and would not increase the total amount of shading above levels which are common and generally accepted in urban areas. In general, shading upon private property would not be considered a significant impact on the surrounding environment.

7) Utilities/Public Services	Yes	No	Discussed
(a) Breach published national, state or local standards relating to solid waste or litter control?	_	✓	_
(b) Extend a sewer trunk line with capacity to serve new development?	_	✓	_
(c) Substantially increase demand for schools, recreation or other public facilities?	_	✓	_
(d) Require major expansion of power, water, or communications facilities?	_	✓	✓

The proposed project would increase demand for and use of public services and utilities on the site and increase water and energy consumption, but not in excess of amounts expected and provided for in this area. After removal of the existing debris, an area would be paved with gravel. A connection may be made to the City's water supply lines. This work would be done in compliance with all applicable City requirements and permits. Water uses would include bringing in trucks with non-potable water to spray the site for dust control when necessary pursuant to BAAQMD requirements. Portable toilets would be provided for site workers.

8) Biology	Yes	No	Discussed
(a) Substantially affect a rare or endangered species of animal or plant or the habitat of the species?	_	✓	✓
(b) Substantially diminish habitat for fish, wildlife or plants, or interfere substantially with the movement of any resident or migratory fish or wildlife species?	_	✓	_
(c) Require removal of substantial numbers of mature, scenic trees?	_	✓	_

The site, located more than 100 feet from the shoreline, would occupy vacant land within an industrial area that has been covered with rubble and non-native weeds since Western Pacific Railroad left the site in 1987. Because of the previous intrusions and the absence of cover and forage, use of the site by wildlife is minimal. As discussed above under "air quality" and below under "water quality," the project would not result in significant air quality impacts, or affect groundwater or the Bay. Therefore, the proposed project would not have a significant adverse impact on aquatic or other biological resources.

9) Geology/Topography	Yes	No	Discussed
(a) Expose people or structures to major geologic hazards (slides, subsidence, erosion and liquefaction).	_	✓	✓
(b) Change substantially the topography or any unique geologic or physical features of the site?	_	✓	_

The San Francisco General Plan Community Safety Element contains maps that show areas in the city subject to geologic hazards. The project site is located in an area subject to groundshaking from earthquakes along the San Andreas and Northern Hayward Faults and other faults in the San Francisco Bay Area. The project site is within an area of liquefaction potential, in a Seismic Hazards Study Zone (SHSZ) designated by the California Division of Mines and Geology.

While there would be no permanent structures on the site and all structures would be portable, the project would nonetheless require a building permit. The final plans would be reviewed by engineering staff of the Port of San Francisco. In reviewing building plans, the Port would refer to a variety of information sources to determine existing hazards and assess requirements for mitigation. Sources reviewed include maps of Special Geologic Study Areas in San Francisco as well as the staff's working knowledge of areas of special geologic concern. If the need were indicated by available information, the Port would require that site-specific soils reports be prepared by a California-licensed geotechnical engineer prior to construction. Potential geologic hazards would be mitigated during the permit review process through these measures.

10) Water	Yes	No	Discussed
(a) Substantially degrade water quality, or contaminate a public water supply?	_	✓	✓
(b) Substantially degrade or deplete ground water resources, or interfere substantially with ground water recharge?	_	✓	_
(c) Cause substantial flooding, erosion or siltation?	_	✓	_

The proposed project site is located on the margin of San Francisco Bay, approximately 1,000 feet north of the Islais Creek Channel. This project would not result in any discharge of water to the Bay, either directly or indirectly. Pacific Cement Corporation would discharge water into a washout pit which would have three separate compartments constructed of concrete. Water would be used for concrete mixing, and any excess water from a particular batch would be recycled into the three concrete compartments and used again. Water used for washing down trucks would also be diverted into the concrete compartments and would be recycled and used for concrete mixing or for misting the site. This process would allow no discharged water into the City sewer system or percolation into the soil, and thus poses no danger to Bay waters.

Watering/misting of the site would occur during grading and site preparation and may be required from time to time as a dust suppression measure during project operations. This activity would be limited in duration and limited in the amount of water used. Water used for misting of the site would tend to evaporate quickly, and would not result in pools of water that could percolate into the groundwater in substantial quantities.

The site is about 1.2 acres, and travel surfaces used routinely by trucks would be paved with a gravel surface; the perimeter of the site would be landscaped. While some rainfall would continue to be absorbed into the project site, the gravel paving could result in added stormwater runoff from the site in the event of heavy rains. However, the sponsor has indicated that the site would be paved in such a way as to divert stormwater to the washout pits described above. Water in these pits would be recycled for use in concrete mixing or truck washing. Given the sponsor's plan to divert stormwater to the washout pits, and given the relatively small acreage of the site, any remaining amount of runoff would not be sufficient to noticeably affect the amount of stormwater entering the City's sewer system or the number of wet weather overflows into the Bay. The sponsor may be required to monitor pollutants of stormwater runoff from the project site, pursuant to the National Pollutant Discharge Elimination System (NPDES) General Permit granted to the City. However, any pollutants are likely to be small in quantity given the small size of the plant and the limited amount of runoff likely, and would not significantly affect water quality of the Bay.

11) Energy/Natural Resources	Yes	No	Discussed
(a) Encourage activities which result in the use of large amounts of fuel, water, or energy, or use these in a wasteful manner?	_	✓	✓
(b) Have a substantial effect on the potential use, extraction, or depletion of a natural resource?	_	✓	_

The project would meet current state and local codes concerning energy consumption, and would not involve a wasteful use of energy.

12) Hazards	Yes	No	Discussed
(a) Create a potential public health hazard or involve the use, production or disposal of materials which pose a hazard to people or animal or plant populations in the area affected?	_	✓	✓
(b) Interfere with emergency response plans or emergency evacuation plans?	_	✓	_
(c) Create a potentially substantial fire hazard?	_	✓	_

The City has adopted an ordinance (Ordinance 253-86, signed by the Mayor on June 27, 1986) which requires analyzing soil for hazardous wastes within specified areas when over 50 cubic yards of soil is to be disturbed and on sites specifically designated by the Director of Public Works. The ordinance specifically includes sites, such as the project site, which are bayward of the high tide line (as shown on maps available from the Department of Public Works (DPW)). The project would involve only minor grading and is not expected to result in the disturbance of more than 50 cubic yards of soil. Therefore, the ordinance noted would not apply. Potential exposure to site soils would be controlled via dust control measures and paving.

13) Cultural	Yes	No	Discussed
(a) Disrupt or adversely affect a prehistoric or historic archaeological site or a property of historic or cultural significance to a community or ethnic or social group; or a paleontological site except as a part of a scientific study?	_	✓	✓
(b) Conflict with established recreational, educational, religious or scientific uses of the area?	_	✓	_
(c) Conflict with the preservation of buildings subject to the provisions of Article 10 or Article 11 of the City Planning Code?	_	✓	✓

The project would involve only minor grading, and therefore is not expected to affect subsurface archaeological resources. There are no structures on site, or any historic structures in close proximity to the site, therefore the project would not affect historical architectural resources.

C. OTHER	Yes	No	Discussed
Require approval and/or permits from City Departments other than Department of City Planning or Bureau of Building Inspection, or from Regional, State or Federal Agencies?	✓	_	✓

D. MITIGATION MEASURES	Yes	No	N/A	Discussed
1) Could the project have significant effects if mitigation measures are not included in the project?	✓	_	_	✓
2) Are all mitigation measures necessary to eliminate significant effects included in the project?	✓	_	_	_

The following mitigation measures are necessary to avoid potential significant effects of the project:

1. Air Quality - Construction Period

A. The project sponsor would require the contractor(s) to sprinkle the site with water during demolition, excavation, and construction activities; spray unpaved construction areas with water at least twice per day; cover stockpiles of soil, sand, and other material; cover trucks hauling debris, soils, sand or other such material; and sweep surrounding streets during demolition, excavation, and

construction at least once per day to reduce particulate emissions. Ordinance 175-91, passed by the Board of Supervisors on May 6, 1991, requires that non-potable water be used for dust control activities. Therefore, the project sponsor would require that the contractor(s) obtain reclaimed water from the Clean Water Program for this purpose.

B. The project sponsors would require the project contractor(s) to maintain and operate construction equipment so as to minimize exhaust emissions of particulates and other pollutants, by such means as a prohibition on idling motors when equipment is not in use or when trucks are waiting in queues, and implementation of specific maintenance programs to reduce emissions for equipment that would be in frequent use for much of the construction period.

2. Air Quality - During Operations

Tenant-Implemented Routine Measures

1. Maintain dust control mechanisms required by air quality permits (e.g. spray bars, etc.) in good working order and utilize on a regular basis. In the event of a failure, maintain back-up systems or halt dust-generating activities.

2. Pave travel surfaces that would be used routinely by trucks. Areas to be paved include those areas on the site itself as well as along the unpaved portions of Maryland Street, between Cesar Chavez (Army Street) and the project site.

3. Maintain remaining unpaved travel surfaces in a moist state to prevent visible dust formation. Install permanent sprinkler systems or maintain watering trucks on-site on a daily basis. Water at least three times daily (as recommended by the BAAQMD in their current *CEQA Guidelines*).

4. Plant perimeter landscaping for wind and dust control and maintain landscaping in healthy and thriving condition to maximize effectiveness.

5. Apply soil stabilizer (non-toxic), allow crust formation, or establish vegetation to unpaved, previously disturbed surfaces to minimize or prevent erosion.

6. Cover trucks hauling debris, soil, or other such material or maintain at least two feet of freeboard (as recommended by the BAAQMD in their current *CEQA Guidelines*). Use dust suppression for outbound loads of material (drive-through spray bar and/or wheel washers) as needed.

7. Install sandbags or other erosion control measures at appropriate locations along the site perimeter to prevent sediment and silt from being carried in runoff onto public roadway, or control runoff by curbs, gutters, or other site perimeter features.

8. Continuously water dusty loads using high volume water spray during and after truck dumping.

9. Maintain finished stockpiles to resist wind erosion by watering, covering or chemical treatment.

10. Remove any visible spillage of soil material on the paved access apron at the site driveway or on public streets at the end of each workday by washing, sweeping (with water sweepers) other effective means.

11. Limit traffic speeds on unpaved surfaces to less than 15 miles per hour.

12. Maintain records of effectiveness of control measures, any problems that arise and response measures, and any complaints received and response measures.

13. Maintain a contact person or inspector responsible for monitoring compliance with the tenant-implemented measures. The inspector shall prepare a report for the Port on a monthly basis regarding compliance with tenant-implemented measures.

Tenant-Implemented Enhanced (Conditional) Measures

The following measures shall be implemented when certain conditions are met, as described below.

14. If visible deposition of dust-forming material is deposited on public streets extending for more than 50 feet from the site driveway connection to the street, the tenant shall sweep streets with water sweepers to remove visible soil material within one hour of deposition. Tenant shall increase frequency of items #2, #5, #7, and #9 above to preclude additional materials spillage.

15. If wind speeds exceed 20 miles per hour, accelerated dust control will be practiced. Any unpaved vehicle travel paths will be watered every 30 minutes or travel on such paths will be discontinued until winds abate. Water will be made available to any storage piles that have visible dust clouds during high wind events that exceed 10 feet in length from their point of origin.

Port-Implemented Coordination Measures

The Port of San Francisco shall implement the following measures:

16. Coordinate with each tenant to identify an on-site inspector responsible for implementing control measures.

17. Assign a staff person to review monitoring reports submitted by the project sponsor or his/her inspector. The staff person should review the reports, identify any possible problems, review the resolution of past problems, and make any recommendations for possible fine-tuning of measures to head off any future concerns.

18. Maintain a file for the project site, including problems encountered and how they were resolved.

19. Obtain copies of the BAAQMD permit to operate from tenants for required air quality control measures. Incorporate BAAQMD requirements into conditions of tenants' leases. Periodically review tenants' leases to determine enforcement authority in requiring tenants to implement the dust control program and to assure that control measures are implemented continuously and effectively.

3. **Air Quality - Vehicle Emissions**

A. The project sponsor has agreed to experiment with fuel additives to reduce emissions from diesel vehicles and on-site equipment. No later than the first year of operations, the project sponsor shall prepare a written report to the Environmental Review Officer regarding the status and effectiveness of such experimentation.

B. The project sponsor has agreed to participate in the California Heavy-Duty Vehicle Inspection Program, and have vehicles inspected twice per year, rather than the once-per-year inspection required by law. The project sponsor shall annually submit a letter to the Environmental Review Officer indicating compliance with this measure.

E. MANDATORY FINDINGS OF SIGNIFICANCE	Yes	No	Discussed
1) Does the project have the potential to degrade the quality of the environment, substantially reduce the habitat of a fish or wildlife species, cause a fish or wildlife population to drop below self-sustaining levels, threaten to eliminate a plant or animal community, reduce the number or restrict the range of a rare or endangered plant or animal, or eliminate important examples of the major periods of California history or pre-history?	_	✓	_
2) Does the project have the potential to achieve short-term, to the disadvantage of long-term, environmental goals?	_	✓	_
3) Does the project have possible environmental effects which are individually limited, but cumulatively considerable? (Analyze in the light of past projects, other current projects, and probable future projects.)	_	✓	✓
4) Would the project cause substantial adverse effects on human beings, either directly or indirectly?	_	✓	_

All items on the Initial Study Checklist have been checked "No", indicating that, upon evaluation, staff has determined that the proposed project could not have a significant adverse environmental effect. Several of those Checklist items have also been checked "Discussed", indicating that the Initial Study text includes discussion about that particular issue. For all of the items checked "No", without discussion, the conclusions regarding potential significant adverse environmental effects are based upon field observation, staff experience and expertise on similar projects, and/or standard reference material available within the Department, such as the Department's Transportation Guidelines For Environmental Review, or the California Natural Diversity Data Base and maps, published by the California Department of Fish and Game. For each checklist item, the evaluation has considered the impacts of the project both individually and cumulatively.

The proposed project is consistent with applicable zoning controls. No variances or special authorizations are needed. A permit would be required from the Bay Area Air Quality Management District. The project is located on Port Land as a temporary use and would not conflict with Proposition H passed by San Francisco voters on 11/90. While local concerns or other planning considerations may be grounds for modification or denial of the proposal, in the independent judgement of the Department of City Planning, there is no substantial evidence that the project could have a significant effect on the environment.

F. ON THE BASIS OF THIS INITIAL STUDY

__ I find the proposed project COULD NOT have a significant effect on the environment, and a NEGATIVE DECLARATION will be prepared by the Department of City Planning.

✓ I find that although the proposed project could have a significant effect on the environment, there WILL NOT be a significant effect in this case because the mitigation measures, numbers 1,2 & 3, in the discussion have been included as part of the proposed project. A NEGATIVE DECLARATION will be prepared.

__ I find that the proposed project MAY have a significant effect on the environment, and an ENVIRONMENTAL IMPACT REPORT is required.

HILLARY E. GITELMAN
Environmental Review Officer

for

Gerald G. Green
Director of Planning

DATE: 4/24/99

PLANNING DEPARTMENT

City and County of San Francisco 1660 Mission Street San Francisco, CA 94103-2414

(415) 558-6378 PLANNING COMMISSION FAX: 558-6409 ADMINISTRATION FAX: 558-6426 CURRENT PLANNING/ZONING FAX: 558-6409 LONG RANGE PLANNING FAX: 558-6426

MEMORANDUM

TO: Anne Eng, Environmental Law and Justice Clinic

FROM: Diane Wong, Major Environmental Analysis

RE: Pacific Cement Corporation Proposed Concrete Batch Plant at 25th & Maryland Streets (Case No. 98.624E)

DATE: May 21, 1999

Thank you for your recent comment letter on the Preliminary Negative Declaration for the above project. Your letter and our responses below will be included in the final Negative Declaration provided to project decision makers (copy attached).

1. Clear definitive project description
   The project components of the plant would include one cement batch plant; one cement silo of about 1,500 cubic feet with bag house dust collector; one fly ash silo of about 1,000 cubic feet with bag house dust collector; and one aggregate compartment. This information has been added to the Negative Declaration.

2. Stormwater runoff
   As discussed in the PND, the project would not generate any wastewater that would enter the City's sewer system or that could be discharged directly or indirectly to the Bay. However, your comment regarding stormwater management issues is acknowledged. The Negative Declaration now includes the following language:

   "The site is about 1.2 acres, and travel surfaces used routinely by trucks would be paved with a gravel surface; the perimeter of the site would be landscaped. While some rainfall would continue to be absorbed into the project site, the gravel paving could result in added stormwater runoff from the site in the event of heavy rains. However, the sponsor has indicated that the site would be paved in such a way as to divert stormwater to the washout pits described above. Water in these pits would be recycled for use in concrete mixing or truck washing. Given the sponsor's plan to divert stormwater to the washout pits, and given the relatively small acreage of the site, any remaining amount of runoff would not be sufficient to noticeably affect the amount of stormwater entering the City's sewer system or the number of wet weather overflows into the Bay. The sponsor may be required to monitor pollutants of stormwater runoff from the project site, pursuant to the National Pollutant Discharge Elimination System (NPDES) General Permit granted to the City. However, any pollutants are likely to be small in quantity given the small size of the plant and the limited amount of runoff likely, and would not significantly affect water quality of the Bay."

3. Alternative fuels
The introductory phrase "Pending receipt of grant funding," has been deleted.

4a. Cumulative impacts
As discussed in the PND, the project's individual impacts upon air quality were determined to be less-than-significant when compared to recommended thresholds described in the Bay Area Air Quality Management District CEQA Guidelines, April 1996.

In terms of cumulative impacts, the recently amended CEQA Guidelines (January 1, 1999) indicates that an EIR need be prepared only if (1) a significant cumulative impact may result and (2) if the project's incremental effect, though individually limited, is cumulatively considerable. CEQA Guidelines Section 15064(i)(4) offers the following guidance: "A lead agency may determine that the incremental impacts of a project are not cumulatively considerable when they are so small that they make only a de minimis contribution to a significant cumulative impact caused by other projects that would exist in the absence of the proposed project. Such de minimis incremental impacts, by themselves, do not trigger the obligation to prepare an EIR. A de minimis contribution means that the environmental conditions would essentially be the same whether or not the proposed project is implemented."

The Planning Department believes that given the above guidance, an appropriate conclusion has been made with respect to the project's de minimis contribution to cumulative impacts upon air quality. As discussed in the PND, the project is small in scope, would generate relatively few trucks, and is temporary at the 25th & Maryland Streets location.

As you know, the Planning Department is preparing a Supplemental EIR to analyze the cumulative effects of major projects along the Southern Waterfront.

4b. Negative Declaration vs. Mitigated Negative Declaration
Page 22 of the Initial Study indicates that the project could have a significant effect if not for the imposition of mitigation measures. The mitigation measures have been agreed to by the project sponsor and the Port. Thus, Page 1, which announces that a Preliminary Negative Declaration is being issued, indicates that the project could not have a significant effect on the environment (because mitigation measures have been agreed to by the project sponsor and the Port). We do not typically alter the wording of the cover page, but in effect the Negative Declaration is contingent upon the sponsor's and the Port's compliance with such measures.

Again, thank you for your comments. We hope that the above responses satisfy your concerns regarding this project. Should you have any questions, please contact me at 558-6322.

GOLDEN GATE UNIVERSITY

ENVIRONMENTAL LAW AND JUSTICE CLINIC • SCHOOL OF LAW

May 14, 1999

RECEIVED

MAY 14 1999

CITY & COUNTY OF S.F.
DEPT. OF CITY PLANNING
ADMINISTRATION

Ms. Hillary E. Gitelman
Environmental Review Officer
San Francisco Planning Department
1660 Mission Street
San Francisco, CA 94103-2414

Re: Pacific Cement Corporation/Ricardo Ramirez Proposed Cement Batch Plant-
Preliminary Negative Declaration - (98.624E-25th & Maryland Streets, SF)

Dear Ms. Gitelman:

We are writing this letter on behalf of the Southeast Alliance for Environmental Justice ("SAEJ"), a community-based organization in the Bayview-Hunters Point neighborhood of San Francisco. On April 24, 1999, the Planning Department issued a Preliminary Negative Declaration and Initial Study for a concrete batch plant proposed by Pacific Cement Corp./Ricardo Ramirez ("Ramirez"). Ramirez's concrete plant will be located at 25th and Maryland Streets on lands managed by the Port of San Francisco ("Port"), and is expected to be a temporary project (operated for about 3 years) with 22 truck trips/day.

At the May 3, 1999 meeting of the Southern Waterfront Advisory Committee ("SWAC"), I informed you that Bayview-Hunters Point community residents were concerned about the potential cumulative impacts created by Port tenants and said SAEJ was planning to appeal the Planning Department's determination of no significant impact for Ramirez's concrete project. Upon further consideration, SAEJ has decided not to appeal the Preliminary Negative Declaration issued for the Ramirez project. Instead, on behalf of SAEJ, I would like to submit the following comments, as recommendations for amendment of the text of the Initial Study.

Comments on the Initial Study

1. The Initial Study should provide the public with a clear, definitive and accurate project description. *County of Inyo v. City of Los Angeles*, 71 Cal.App.3d 185, 193 (3d Dist. 1977); *McQueen v. Board of Directors of the Mid-Peninsula Regional Open Space District*, 202 Cal.App.3d 1136, 1143 (6th Dist. 1988) (an accurate project description is necessary for an intelligent evaluation of the potential environmental effects of a proposed activity). Page 7 of the Initial Study states the Ramirez project site is within a 40-X Height and Bulk District, which permits structures to a height of 40 feet. On page 8 of the Initial Study, the Ramirez project is described as between 26 to 36 feet in height. The Planning Department determined this would comply with the height requirements, and a diagram of a "Typical Mobile B" cement batch plant is provided as Page 6, which

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shows the elevations of the various components. Some of the components on this Initial Study diagram are marked "optional" and the elevations for different components are very difficult to read. It is recommended that the Initial Study provide a clearer, more definitive project description. This description should also identify the key components of the plant (e.g., cement batch, silo; dust collector, etc.) so that the public may understand the actual size of the plant.

2. The Initial Study does not address the issue of pollution to stormwater runoff from the site. The State of California regulates the discharge of stormwater from specific categories of industrial facilities, including ready mix concrete facilities. The State Water Resources Control Board adopted an NPDES General Permit in compliance with Section 402 of the Clean Water Act (WQO No. 91-13-DWQ, as amended by WQO No. 92-12-DWQ). The General Permit was amended in April 1997 and contains monitoring and reporting requirements (WQO No. 97-03-DWQ). As an operator of the concrete batch plant, Ramirez may be subject to the General Permit and, if so, may be required to monitor the stormwater for pollutants which are likely to be present in the discharges in significant quantities. For example, Portland cement contains chromium, a toxic metal. The stormwater discharges may contain this toxic metal, as well as fly ash, aggregate dust and oil and grease from the trucks. Depending on the plant's operations, Ramirez may required to conduct sampling of these pollutants to ensure compliance with the state's NPDES General Permit for stormwater. It is recommended that the Initial Study be amended to address the stormwater management issues.

3. Recently, Ramirez agreed to develop a pilot project for evaluating the feasibility of using alternative, cleaner fuels in diesel trucks and on-site equipment. This pilot project may involve, but is not contingent on, receipt of grant funding. On Page 20 of the Initial Study, under Section D.3.A (Mitigation Measures for Air Quality), there is a reference to this pilot project. It is recommended that the introductory phrase for Section D.3.A, "Pending receipt of grant funding," be deleted to reflect the project proponent's commitment to develop the alternative-fuels pilot project, regardless of whether or not grant funding from outside sources is obtained.

4. On page 13 of the Initial Study, the Planning Department characterizes the amount of pollution which would be generated by the Ramirez project as small and insignificant, when compared with the cumulative impacts of existing and future concrete projects in the Southern Waterfront area. This comparison is used to support the Planning Department's determination of no significant impacts. For the record, SAEJ disagrees with the Planning Department's ratio theory. We submit that this type of "ratio" reasoning trivializes the cumulative impacts of projects and is not allowed under CEQA. See, e.g., *Kings County Farm Bureau v. City of Hanford*, 221 Cal.App.3d 692 (1990); *Los Angeles Unified School District v. City of Los Angeles*, 58 Cal.App.4th 1019 (2nd Dist. 1997).

The Initial Study contains inconsistent language regarding the significance of impacts. For example, page 1 of the Initial Study states the Ramirez project "could not have a significant impact on the environment". However, page 22 of the Initial Study states the project could have a significant impact, but will not because of the adopted mitigation measures. It is SAEJ's position that the Ramirez project may cause significant cumulative impacts and that the Planning Department has, in effect, issued a Mitigated Negative Declaration for the Ramirez project. SAEJ will not appeal the Preliminary Negative Declaration because the Port and project proponent have agreed to a set of mitigation measures, as described on pages 18-21 of the Initial Study. Furthermore, Mr. Ramirez has made a commitment to develop an alternative fuels pilot project to reduce diesel emissions. These measures will protect against significant cumulative impacts which may be generated from stationary and mobile sources associated with Ramirez's project. It is recommended that the Planning Department amend the Initial Study's findings of no significant impact to reflect a finding of mitigable, significant impact.

We appreciate your consideration of these comments. If you have any questions, please feel free to contact me at (415) 442-6693. Thank you.

Sincerely,

Anne Lèe Eng
Environmental Law and Justice Clinic

PORT OF SAN FRANCISCO

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MEMORANDUM

June 3, 1999

TO: MEMBERS, PORT COMMISSION
Hon. Denise McCarthy, President
Hon. Kimberly Brandon, Vice President
Hon. Michael Hardeman
Hon. Brian McWilliams
Hon. Pius Lee

FROM: Douglas F. Wong
Executive Director

SUBJECT: Professional Services Contract No. SA 3930045, DOWNTOWN FERRY TERMINAL, with Roma Design Group; approval of Sixth Amendment to authorize additional design and construction support work.

DIRECTOR'S RECOMMENDATION: APPROVE SIXTH AMENDMENT TO CONTRACT NO. SA 3930045 WITH ROMA DESIGN GROUP FOR $395,720

Introduction: Port staff requests that the Commission approve a sixth amendment to the existing professional services contract with Roma Design Group, the architectural-engineering consultant for the Downtown Ferry Terminal Project (DFT). This contract amendment is necessary to modify the current design documents and to start construction of the project by October 1999. Modification of the design is needed to ensure project compatibility and coordination with the adjacent Ferry Building Renovation Project (FBR) and the Bay Area Council Water Transit Initiative (Initiative). Through the contract amendment, Port staff intends to accomplish a project that will accommodate extensive growth in water transit, which the Initiative has projected, and achieve a cost savings of $2.3 million to the project.

Background: In March, 1994, the Port selected and contracted with the consultant team led by ROMA Design Group (Consultant) for architectural and engineering services on the Downtown Ferry Terminal Project. As the project progressed, the Port secured additional outside funding and expanded the scope of the project accordingly. Due to the additional funds, and for other reasons, the contract was thereafter amended as follows:

Date	Amendment	Change In Scope	Amount
03/17/94	Original Contract	Pier ½ North terminal improvements.	$593,255
08/01/94	Amendment 1	Term extension.	$0
11/21/94	Amendment 2	Design – new breakwater, relocation of boiler room	$384,763
08/29/95	Amendment 3	Environmental Studies related to breakwater (compliance w/CEQA & NEPA)	$39,741
02/25/97	Amendment 4	Design – expansion of breakwater and boiler room scope. Addition of ferry plaza. Term extension.	$246,595
06/10/97	Amendment 5	Design – incorporation of historic preservation requirements.	$47,870
		Total	$1,312,224

Reasons For Current Contract Amendment: The Commission granted permission to advertise in December 1998. By January 1999, the design and specifications for the Downtown Ferry Terminal Project were complete and the Port had intended to advertise for construction. However, the project was halted for further review in order to coordinate design and construction with the Ferry Building Renovation Project for which a developer had been recently selected. During the course of this review, the Bay Area Council published its draft report on Water Transit for the San Francisco Bay. The report projected significantly higher regional ferry traffic than had been previously anticipated and listed the Downtown Ferry Terminal as a major destination. This caused Port staff to embark on a parallel review of the Downtown Ferry Terminal Project to assure compatibility with the findings of the Bay Area Council. The details and recommendations of these reviews are as follows:

- **Ferry Building Renovation Coordination.** In November of 1998, a developer for the Ferry Building Renovation was selected and authorization was given to begin negotiations with William Wilson Associates, currently known as Wilson Cornerstone (Developer). Port staff and the Developer reviewed the scope and scheduling of the two projects and determined that significant changes to the scope of the Downtown Ferry Terminal Project were needed in order to minimize overlap and conflict between the projects. We have found the following modifications to the scope of the Downtown Ferry Terminal Project are needed:

    - Deletions. Deletion of the central concourse, new boiler room, east canopy and previously planned improvements to the south arcade. The deleted elements will be re-designed and included in the Ferry Building Renovation Project. This will result

in a savings of $2.3 million in construction costs to the Downtown Ferry Terminal Project.

- Construction Phasing. Port staff recommends completion of the finishes to the north and east promenades in separate phases, and changes to the overall phasing of the project. The project phasing will be modified so that the majority of the project will be constructed by June of 2001. However, the phased finishes for the north and east promenades will be completed later, as part of the Ferry Building Renovation Project by June of 2002. The phased completion of the promenades, however, will still require the construction support services of the Port's Consultant. Therefore, the Consultant's contract term must be extended for this period.

- **Water Transit Initiative Coordination.** In February 1999, the Bay Area Council published its draft report of the High Speed Water Transit Initiative "Bold Vision". The report projects future Bay Area Water Transit needs significantly higher than previously estimated for the Downtown Ferry Terminal Project. While the Initiative is still in its early stages and has not yet become legislation, Port staff considered it both necessary and prudent to undertake a critical review of the project with a view towards avoiding conflicts with future plans under the Water Transit Initiative. Staff and the Consultant reviewed the project with the following Initiative report findings in mind: the frequency of vessels, the anticipated standard vessel-types, the projected peak flow of passengers, passenger landside amenities, weather protection and intermodal connections. As a result of this joint review, Port Staff determined it was necessary to modify the scope of the project and Consultant's contract:

  - Project scope modifications. Due to projected vessel frequencies, Port staff desires a revised layout of the breakwater to facilitate quick ingress and egress at the south basin. Staff selected a layout alternative previously studied that will provide adequate protection from wave action. This new layout will result in a larger opening for increased vessel mobility, and a breakwater and public access structure 640 feet in length but approximately 75% shorter than the current design. The ramping configuration on the float will also require modification to facilitate the need for faster passenger loading and unloading. The float canopy, previously deleted from the project due to a funding shortage, will be re-introduced and modified to protect passengers on the new ramp configuration.

Costs: The total estimated construction cost for the Downtown Ferry Terminal Project is approximately $14 million. Currently, the Port has secured full funding from State and Federal funding agencies. Applications for additional governmental funding have been submitted. If realized, these funds will result in related, but separate ferry terminal improvements. The construction contract will be bid using additive bid items to ensure that the final project is fully funded. The savings realized from the recent changes will allow the construction of more of the priority additive items than previously anticipated.

To date, the Consultant's total contract amount (including previous amendments) is $1,312,224. Staff has negotiated with the Consultant for a price of $395,720 to complete the additional tasks contemplated by the contract amendment. With the approval of this contract amendment, the total consulting design project cost will be $1,707,944, representing 12% of the estimated construction cost. With this amendment, the project Disadvantages Business Enterprise (DBE) participation will be 26.7% which exceeds the original goal of 22%.

The amendment costs will be fully funded by multiple sources, including State, Federal, and Port capital funds as follows:

Fund source	Amount
State grant	$226,580
Federal grants	$60,000
Port capital	$109,140
Total	$395,720

The Consultant contract amendment would be awarded in two parts: Task 1 – Finalize Bid Documents ($169,140), and Task 2 – Construction Support Services ($226,580). Port capital monies and Federal funds will be use to fund Task 1. The State funds will be allocated by August 1999 and will be used to fund the second task of the amendment.

Schedule: The schedule for the completion of the project by March of 2001 requires completion of the revised design by July 1999. Start of construction is anticipated in October 1999. To maintain sources of existing grant funding, and to minimize adverse impacts on the Ferry Building Renovation Project, it is critical to avoid delays to the start of construction.

Summary: Port staff requests that the Commission authorize this amendment to the existing contract with Roma Design Group in order to establish the above stated design objectives on this time-critical project. This will enable the Port to produce a project that is compatible with future Bay Area ferry service expansion and is coordinated with the Ferry Building Renovation Project.

Prepared by: Cliff Jarrard, Chief Harbor Engineer

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 99-37

WHEREAS, In March 1994, with Port Commission authorization, Port Staff contracted with ROMA Design Group ("Consultant") for the Downtown Ferry Terminal Project; and

WHEREAS, to date, based upon the prior Project scope, the design drawings and specifications for the Downtown Ferry Terminal Project are fully prepared and ready for advertisement construction bidding; and

WHEREAS, the Port staff halted the advertisement process in order to coordinate the project with the Ferry Building Renovation Project and the Water Transit Initiative report, both of which impact the Project significantly ; and

WHEREAS, To accomplish this essential Project coordination, Port Staff seeks to modify the Project scope and construction documents to delete the central concourse, new boiler room, the south arcade finishes, east canopy, and phase the north and east promenade finishes, and revise the overall project phasing; and

WHEREAS, Port Staff requests that the Consultant revise the plans and specifications to reflect a modified breakwater layout, reconfigured ramping and gangway layout, and revised float canopy design; and

WHEREAS, Port Staff seeks to extend the Consultant's contract term to December 31, 2002 through the duration of the construction as well as completion of all finishes for the Ferry Building Renovation Project; and

WHEREAS, Port Staff has met with the consultant and negotiated a price of $395,720 to complete the additional tasks required by the Project coordination and design revisions; and

WHEREAS, the schedule for the expenditure of outside funding for this Project dictates that the design and engineering proceed without delays to preserve the funding and avoid delays to the Ferry Building Renovation Project; therefore be it

RESOLVED, that in order to accomplish the Project coordination recommended by Staff, the San Francisco Port Commission hereby authorizes staff to execute the Sixth Amendment to Contract No. SA 3930045 with ROMA Design Group for the amount of $395,720.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of June 8, 1999.

_____
Secretary

PORT OF SAN FRANCISCO

MEMORANDUM

Ferry Building
San Francisco, CA 94111
Telephone 415 274 0400
Fax 415 274 0528
www.sfport.com

June 2, 1999

TO: MEMBERS, PORT COMMISSION
Hon. Denise McCarthy, President
Hon. Kimberly Brandon, Vice-President
Hon. Michael Hardeman
Hon. Brian McWilliams
Hon. Pius Lee

FROM: Douglas F. Wong
Executive Director

SUBJECT: **Authorization to award Contract No. 2659 for trail construction and landscaping at Pier 98 to the San Francisco League of Urban Gardeners.**

DIRECTOR'S RECOMMENDATION: THAT THE COMMISSION AUTHORIZE THE EXECUTIVE DIRECTOR TO AWARD THE CONTRACT FOR PIER 98 TRAIL CONSTRUCTION AND LANDSCAPING TO THE SAN FRANCICO LEAGUE OF URBAN GARDENERS.

The Port Commission previously adopted a resolution authorizing acceptance of grant funds from the San Francisco Bay Trail Regional Development Program (Resolution No. 98-38) for trail construction and landscaping at the Pier 98 wetlands and public access project. The Commission also adopted a companion resolution waiving competitive bid and prevailing wage requirements (Resolution No. 98-39), thereby enabling the award of sole source contracts for such work to the San Francisco League of Urban Gardeners (SLUG) and the California Conservation Corps (CCC), working as a subcontractor to SLUG. The Bay Trail grant funds are contingent upon using CCC to work on Bay Trail construction.

SLUG and CCC share a common purpose in providing training and work experience to disadvantaged young adults. SLUG specializes in working in the Bayview Hunter's Point community, employing local residents to expand and enhance gardens, parks, and natural areas throughout the city. SLUG also operates the Log Cabin Ranch Nursery, which trains youth from the City's juvenile justice program to cultivate native plants. By supporting ongoing landscaping and maintenance at the Pier 98 site, this contract will allow participants to develop specialized skills in native plant cultivation, and will foster a sense of stewardship for the site within the community.

This Print Covers Calendar Item No. **7B**

SLUG and CCC will construct trails, install site furnishings, propagate native plants, and install and maintain landscaping for three years, for a contract amount of $351,102. Staff recommends the award of the contract to SLUG and CCC for $421,322, which includes a 20% contingency, and authorization for the Executive Director to accept the work once it is complete. The 20% contingency is warranted to address unforeseen circumstances that may arise during construction and three-year maintenance period.

Prepared by: Carol Bach, Project Manager, Environmental Health and Safety

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 99-38

WHEREAS, the Port proposes to construct trails and install landscaping and other site improvements at Pier 98 to enhance the wetlands and public access areas; and

WHEREAS, the Port Commission previously adopted a resolution (no. 98-38) allowing the Port to accept grant funds from the San Francisco Bay Trail Regional Development Program, for installation and maintenance of such improvements; and

WHEREAS, these grant funds are made contingent upon the utilization of the California Conservation Corps for the project work; and

WHEREAS, the Commission, at its regular meeting of April 28, 1998, through its resolution no. 98-39, previously authorized the waiver of competitive bid and prevailing wage requirements to allow a sole source contract for such work with the San Francisco League of Urban Gardeners (SLUG) and California Conservation Corps (CCC); and

WHEREAS, the proposed contract will benefit the community by providing employment and training opportunities to local residents and disadvantaged youth while completing the construction and landscaping at Pier 98; now therefore be it

RESOLVED, that the San Francisco Port Commission hereby authorizes the award of Contract No. 2659 to SLUG and CCC for $351,102, plus a 20% contingency for the construction and three-year maintenance period, and authorizes the Executive Director to accept the work once it is complete.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of June 8, 1999.

_____
Secretary

F:\99Commission\99-38.doc

PORT OF SAN FRANCISCO

Ferry Building
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MEMORANDUM

June 3, 1999

TO: MEMBERS, PORT COMMISSION
Hon. Denise McCarthy, President
Hon. Kimberly Brandon, Vice President
Hon. Michael Hardeman
Hon. Brian McWilliams
Hon. Pius Lee

FROM: Douglas F. Wong
Executive Director

SUBJECT: Informational Presentation of Proposal by Stanford Hospitality, Inc. to Develop Hotel at Broadway and The Embarcadero

BACKGROUND

On October 27, 1998, the Port Commission by Resolution No. 98-107 authorized issuance of a Request for Qualifications and Proposals ("RFQ/P") for development of a full-service first-class hotel on parcels located at Broadway and The Embarcadero, which are shown on the Site Plan attached hereto as Exhibit A. The RFQ/P was issued on November 18, 1998. Three respondents submitted qualifications in response to the RFQ/P by the deadline of January 25, 1999: Stanford Hospitality, Inc.("Stanford"), Promus Hotel Corporation/Koll Development ("Promus"), and Tom Flowers Associates. At its March 9, 1999 meeting, the Port Commission by Resolution No. 99-18 invited two of the respondents - Stanford and Promus - to submit proposals for the hotel development opportunity.

Stanford Hospitality, Inc. ("Stanford") was the only respondent to submit a proposal by the deadline of May 18, 1999. Port staff and HVS, the independent financial advisor retained by the Port that specializes in the hospitality industry, are presently reviewing and analyzing the proposal. Stanford will make a short presentation to the Commission to describe its concept for the hotel. This presentation is informational only. No action by the Commission is being requested at this time. It is expected that the Port Commission will be asked to take action at the next Commission meeting, scheduled for June 29, 1999.

THIS PRINT COVERS CALENDAR ITEM NO. 8A

REQUEST FOR QUALIFICATIONS AND PROPOSALS

The Port is seeking a developer to ground lease the Site for the development and operation of a first-class full-service hotel. The successful respondent needs to demonstrate extensive experience in financing, developing and managing full-service hotels of first-class quality. Because the ground lease with the Port will be unsubordinated to any financing obtained by the developer, the successful respondent also needs to demonstrate its ability to access equity and/or subordinate mortgage capital required to fund the development. The RFQ/P stated that: "Experience in the development and operation of first-class full-service hotels, and the financial capacity of responding developer/operators, including in particular the ability to access equity and/or subordinate financing, will be the most important criteria considered by the Port."

The development program set forth in the RFQ/P envisions a hotel, not to exceed 65 feet in height, which meets the following minimum requirements:

Total Guest Rooms:	*300+*
Total Parking Spaces:	*Approx. 3x the S.F. Planning Code requirement*
Banquet & Meeting Space:	*10,000 square feet*
Features:	*Public lobby and one or more eating/drinking establishments* *Other amenities characteristic of a first-class full-service hotel, such as services for business travelers, fitness center, and/or a swimming pool. Retail uses are encouraged on the ground floor along Broadway.*

SUMMARY OF STANFORD'S QUALIFICATIONS and PROPOSAL

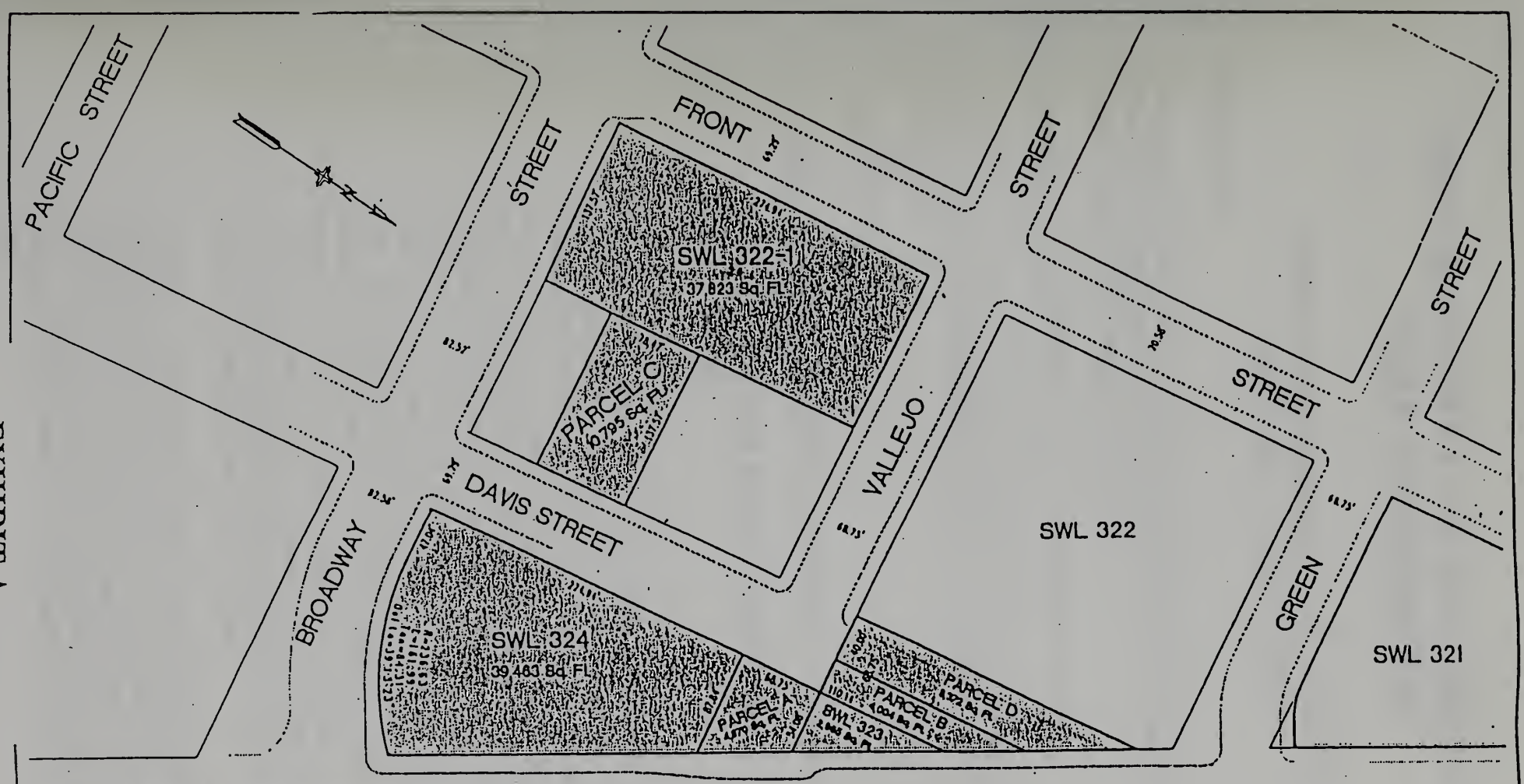
Stanford's development team and general concept for development of the hotel are summarized below:

Development Entity:	Stanford Hospitality, Inc., a California corporation
Lessee:	Stanford Hospitality, Inc., a California corporation
Hotel Operator:	Stanford Hotels Corporation, a wholly owned subsidiary of Stanford
Key Personnel:	Lawrence Lui, President of Stanford

Consultants:	Architecture: Patri Merker Architects (design), Architectural Resources Group (historic design) Engineering: Korve Engineers (traffic); F.E. Jordan Associates (civil); Takahashi Consulting Engineers (mechanical); Rutherford & Chekene (structural) Other: Bovis Construction Corporation (general contractor); Eckland Consultants, Inc (environmental); Public Affairs Management (regulatory); Jefferson Company (community relations); Geo/Resource Consultants (geotechnical); Orrick, Herrington & Sutcliffe (legal)
Previous Development Experience:	Residence Inn by Marriott, Pleasanton, CA (under construction); Sheraton Gateway Hotel S.F. Int'l Airport (expansion); and Hilton Washington Dulles Airport Hotel (expansion)
Hotel Management Experience:	15 hotels, including Hilton, Sheraton, Holiday Inn, Doubletree Guest Suites, Radisson and Marriott brands, ranging in size from 130 to 405 rooms
Development Concept:	410-rooms consisting of 244 rooms and 166 suites, approximately 20,000 sq ft of meeting space, 11,000 square feet of retail space along Broadway, two hotel restaurants, one free-standing restaurant, 217 parking spaces, two cocktail lounges, a health spa, lobby, and pedestrian bridge over Davis Street. Franchises being considered are Hilton, Marriott and Starwood brands.

Prepared by: Jennifer Sobol
Development Project Coordinator

EXHIBIT A



SAN FRANCISCO PORT COMMISSION
PORT OF SAN FRANCISCO
DEPARTMENT OF ENGINEERING

BROADWAY - EMBARCADERO
HOTEL DEVELOPMENT SITE
FIGURE 1 -- SITE PLAN

CITY & COUNTY OF SAN FRANCISCO
PORT COMMISSION

MINUTES OF THE REGULAR MEETING
4:00 P.M., JUNE 8, 1999

1. **ROLL CALL**

Commission President Denise McCarthy called the meeting to order at 4:09 p.m. The following Commissioners were present: Denise McCarthy, Kimberly Brandon, Michael Hardeman, Brian McWilliams and Pius Lee.

2. **APPROVAL OF MINUTES** - May 25, 1999 Regular Meeting

ACTION: Commissioner Lee moved approval; Commissioner McWilliams seconded the motion. All of the Commissioners were in favor; the minutes of the May 25, 1999 meeting were adopted.

3. **EXECUTIVE**

A. Executive Director's Report. Mr. Wong reported the following:

1) The Southern Waterfront Advisory Committee meeting scheduled for Monday, June 14 is cancelled.

2) Living Wage Ordinance – Last week, a letter was sent to the Board of Supervisors advising them of our concerns with the effect of the proposed ordinance on existing tenants and long-term development projects. The Commissioners were provided a copy of the letter. Many of the Port's tenants (large and small) sent letters to the Board expressing their concerns. The Board voted to withhold action on the proposed ordinance until an economic study is completed through the City's Office of Administrative Services. The City has contracted with the Urban Institute at San Francisco State to do this study. The President of the Economics Department is taking the lead for San Francisco State. Ben Kutnick and Veronica Sanchez have met with the City's Director of Administrative Services to pursue the feasibility of having the Port's survey done through S.F. State. Port staff is waiting to hear from S.F. State on the methodology they will use, questions to be asked and timing. If there is opportunity for coordination, the Port will use their services instead of using its economic consultant, as previously planned.

In response to Commissioner McCarthy's inquiry about how soon staff will know about the feasibility of having S.F. State perform the survey, Mr. Wong replied that staff should know in the next couple of weeks. If the Port should utilize S.F. State, Commissioner McCarthy emphasized the importance of getting a thorough study specifically catered to Port business as opposed to having a general impact report.

4. CONSENT CALENDAR

A. Adoption of amendment to the Rental Rate Schedule regarding rental rates for Pier 70, Building 11 (The Noonan Building). (Resolution No. 99-40)

ACTION: Commissioner Lee moved approval; Commissioner Brandon seconded the motion. All of the Commissioners were in favor; Resolution No. 99-40 was adopted.

5. MARITIME

A. Approval of amending the San Francisco Port Commission Harbor Code to impose "no stopping" regulation on the north side of Cesar Chavez between Pier 80 Gate and Michigan Street. (Resolution No. 99-41)

Mr. Peter Dailey, Director of Maritime, requested Commission's approval of amending the San Francisco Port Commission Harbor Code to impose "no stopping" regulation on the north side of Cesar Chavez between Pier 80 Gate and Michigan Street. Mr. Dailey indicated that the increased amount of business at Pier 80 and the use of the Western Pacific property by industrial users caused a significant increase in vehicular traffic along Cesar Chavez Blvd. from the Pier 80 gate to Third Street. Additionally, trucks and other motor vehicles are parked/double parked in this area adding to the continued incidents of street congestion. Fast access to Pier 80 is of vital importance to the Port's steamship line customers. Port staff, in conjunction with the San Francisco Police Department and San Francisco Fire Department, have assessed the traffic situation in the area and recommend that the Port's Harbor Code be amended to establish a "No Stopping" zone along the north side of Cesar Chavez between the Pier 80 gate and Michigan Street in order to reduce the possibility of future accidents and liabilities as well as ease ingress and egress to Pier 80. The Port will contract the San Francisco Department of Parking and Traffic to purchase and install the signs at an approximate cost of $750.

Commissioner McWilliams asked who would enforce the ordinance and parking on Port facilities. Mr. Dailey replied that the Police Department and the Department of Parking & Traffic would enforce the ordinance as well as parking on Port facilities.

ACTION: Commissioner Hardeman moved approval; Commissioner Lee seconded the motion. All of the Commissioners were in favor; Resolution No. 99-41 was adopted.

B. Approval of amending the San Francisco Port Commission Harbor Code Section 100 regarding regulation of advertising on San Francisco Bay. (Resolution No. 99-42)

Mr. Peter Dailey, Maritime Director, indicated that in October 1998 the Port Commission adopted Resolution No. 98-113 amending Section 100 of the Harbor Traffic Code, which regulates advertising signage on vessels in the Bay within Port's jurisdiction. Upon further review of the regulation, Port staff recommends that the Commission adopt amendments to Section 100 which are intended to clarify existing laws but not make substantial changes.

ACTION: Commissioner Hardeman moved approval; Commissioner Lee seconded the motion. All of the Commissioners were in favor; Resolution No. 99-42 was adopted.

6. REAL ESTATE

A. Informational Presentation regarding an agreement with Majestic, LLC for berthing of the S.S.Lurline at Pier 31 for potential use as Hotel/Restaurant/Museum.

Mr. Philip Smith, Director of Real Estate, indicated that the Port has been approached by Majestic, L.L.C. of Walnut Creek, CA with a request to enter into a memorandum of agreement regarding negotiations for the berthing of the former Matson Navigation Company passenger liner S.S. Lurline on the Northern Waterfront at a yet to be designated location at Piers 31, 33 or 35. Majestic's basic proposal would be to operate this historic passenger liner as a hotel restaurant, nightclub and museum venue with periodic passenger sailing on San Francisco Bay. Ultimately and subject to securing all required regulatory approvals, Majestic would hope to permanently berth the vessel offering "stationary stateroom" hotel accommodations at a Northern Waterfront pier.

The S.S. Lurline is the oldest functioning passenger vessel in the world today and shares a rich history with the Port of San Francisco where she was home ported for nearly forty years. The initial consensus of Port staff is that the return of the S.S. Lurline to its original San Francisco home would prove financially and culturally rewarding to the Port and the citizens of the City and County of San Francisco respectively.

Representatives of Majestic have sought this opportunity to make a formal presentation of their plans for this vessel and to respond to any questions from the Port Commission or members of the general public following their presentation.

Mr. Christopher Kyte, Majestic Group, introduced some of the members of his project team: Tim McAteer, Kevin Tam, Jay Pauly and Jim Haas. Mr. Kyte mentioned that in the last two weeks, they have spoken to a number of interested operators. There was also a supportive editorial in last night's *Examiner* regarding the Lurline. Mr. Kyte mentioned that Project Lurline is the working title for the refit, restoration and return to its original home of San Francisco the Matson Line, S.S. Lurline. They propose returning the S.S. Lurline to San Francisco as a permanently docked cruise ship, museum and public venue offering restaurants, nightclubs and small boutique hotel.

S.S. Lurline was one of the most well known passenger ship in the history of the Port of San Francisco, the best-known liner operating out of San Francisco to the Pacific. S.S. Lurline has a splendid wartime record as a troopship, carrying hundreds of thousands of US and Allied troops to and from the Pacific. The Majestic Group proposed that the Lurline is to be located along the northern waterfront as a permanently docked cruise ship offering a distinctive and localized "ocean liner" ambiance to San Francisco and visitors. It is their goal to make this ship once again a vibrant and integral part of life

in San Francisco. They will offer open access, encouraging city residents, school children, and visitors to board a liner along the Embarcadero for a tour of its maritime museum. For the first time in decades, it will be possible to board a real liner for an evening of dancing, dining and entertainment, all in a carefully restored, historically accurate setting.

The economic benefit to the Port would be at least $20 million over 10 years, not taking inflation into account. The job benefits to the City would be substantial. $15-$20 million refit work would be done at SF Drydock. After the ship reopens, they will have an annual payroll of $8.2 million.

They are very keen of having local input into the project and want to have as many local people on board. They welcome advice from all interested parties as the project proceeds. A number of people and organizations have shown interest in chartering the vessel, which is not in the original business plan but it is under consideration. However, the operational and logistical issues, such as staffing and marketing, would be a challenge.

With the design and project team they have on board, they have an opportunity to create a showcase that everyone would be proud of. They want to have a ship that celebrates its historic link to San Francisco.

In response to Commissioner McWilliams inquiry about the amount of water the ship requires, Mr. Kyte replied that it would need approximately 28 feet. Commissioner McWilliams asked if the ship would be operating on shore power. Mr. Kyte replied to the affirmative. However, if the ship were allowed the occasional voyage, it would necessitate a conversion process. Since the ship would require considerable amount of shore power, Commissioner McWilliams inquired about the Port's responsibilities with regard to the infrastructure. Mr. Kyte replied that they would pay the electric bill when they are plugged into shore power.

Commissioner McWilliams asked how contingent upon the location would be for the project to be successful. To put it into perspective, Mr. Kyte replied that the City of Vallejo is offering free parking. However, because of the importance of the location, they are turning down the City of Vallejo's offer. Having the ship situated in the northern waterfront would be ideal because of its close proximity to nearby attractions. Commissioner McWilliams asked if it's not out of the realm of possibilities that the ship could be accommodated at the southern waterfront. Mr. Kyte replied that it is not out of the realm of possibilities. Being in the travel business, Mr. Kyte indicated that generally when people talk about the San Francisco waterfront, they think of the northern waterfront near Pier 39. Mr. Kyte emphasized that anywhere but Vallejo would probably work. Commissioner McWilliams commented that the accommodations on a ship are very confining. Mr. Kyte replied that they are aware of the problem and to cater to modern taste, they will have rooms three times the size of what was originally built.

The following individuals supported the Majestic Group's S.S. Lurline project:

- Anna Falche
- Martin Mulkeen, Big C Traders Ltd.
- Carlos Afre, You & Leisure, Travel
- Ernestine Weiss
- Stephen Farneth, Architectural Resources Group
- Carl Weber
- Kim Jackson, Hotel Employees & Restaurant Employees, Local 2
- Gunnar Lundeberg, Sailors' Union of the Pacific
- Ken Hagan, Pier 38 Maritime Recreation Center
- Marina Secchitano, IBU-ILWU

Leo McLaughlin, Telegraph Hill Dwellers, indicated that the great deal about this proposal, which is not only positive but also wonderful, is it's a San Francisco ship, restored in San Francisco, berth in San Francisco and operated by San Franciscans. The crucial issue remains on the surface that will determine if this is a good or bad project for San Francisco is whether or not the Lurline will remain a ship or be docked as a boattel (boat/hotel). Aside from the Prop H and planning initiatives, adding this vessel as a boattel will establish a horrible precedence along the waterfront. If she is to remain a ship, this will truly be a wonderful addition to the waterfront. If she is to be nailed to a pier, this would be a horrible thing for San Francisco.

Tim McAteer, TKM Consultants, read letters of support for the Lurline project from Jeff Heller of Heller Manus Architects, Charlene Clarke of Barnes & Clarke and Flicka McGurrin from Pier 23 Café. They intend to meet with all interested parties to make this project a reality. They are already scheduled to meet with the Fisherman's Wharf Association to present their project.

Commissioner Brandon asked about other members of their engineering/construction team. Mr. Kyte replied that on the development side, Economic Research Associates is spearheading the development side, Jay Pauly, financial consultant, Architectural Resources Group. Most of them have done project of this caliber.

Commissioner Hardeman commented that he was delighted to hear that the work is going to be done at San Francisco Drydock.

Commissioner Lee inquired when will the Majestic Group present a concrete proposal and identify a definite location for the ship. Mr. Philip Smith proposed to meet with Majestic Group to establish the benchmarks and apprise them of all the regulatory requirements. Port staff will inform the Commission of any hurdles. With respect to a permanent berthing location, Majestic is amenable to alternative berthing locations. Port staff will coordinate with Majestic to find a location amenable to both parties.

In answer to Commissioner Lee's inquiry about identifying the appropriate location, Mr. Martin Mulkeen read an excerpt from the Waterfront Land Use Plan... "The issue of preserving the Piers 31, 33 and 35 pierhead building facades, in the context of the basic integrity of the series of pierhead bulkhead buildings along The Embarcadero,

should be addressed in the comprehensive urban design and historic preservation guidelines which will be prepared for the Port, as recommended in the Plan. Promote excursion boats, water taxi, historic and ceremonial ship berthing and other maritime activities." There is a distinct order from Mayor Brown to keep as many maritime influences in the waterfront as possible.

Commissioner McCarthy thanked the Majestic Group for doing their homework and meeting with other groups.

B. Adoption of Negative Declaration and approval of sublease between the Port and Pacific Cement Corporation for 43,560 square feet of land for use as a concrete ready-mix facility on a portion of the Western Pacific Site, located adjacent to Pier 80. (Resolution No. 99-39)

Mr. Philip Smith, Director of Real Estate, indicated that Pacific Cement Corporation, LLC has proposed to sublease 43,560 square feet of the Western Pacific site bounded by Louisiana Street, 25th Street, Maryland Street and 26th Street. Pacific Cement proposes to use the site for the operation of a concrete ready-mix facility.

Pacific Cement has applied for and has received all environmental clearances from the City and County of San Francisco Planning Department, Office of Environmental Review (OER). OER issued a Negative Declaration for the project on May 21, 1999 finding that the project would not have a significant effect on the environment. The Negative Declaration includes Mitigation Measures which are conditions included in the sublease.

Port Commission policy requires that the Port Commission approve any lease or sublease providing for a use which is a change of "like-kind" use to the existing or immediately prior use of the facility. Because the site affected by the proposed lease has not been used for any purpose for some time, any use would constitute a change of "like-kind" use to the existing or immediately prior use of the Western Pacific Site.

The Port Commission is also required to adopt certain findings under the California Environmental Quality Act with regard to the Negative Declaration. Mr. Smith acknowledged the efforts put forth by Mark Lozovoy, Senior Property Manager and Phil Williamson on this project.

The proposed sublease terms are as follows:

1. Premises: 43,560 square feet of vacant land located on the Western Pacific Site.
2. Term: two years commencing upon Commission approval of the sublease.
3. Use: operation of a concrete ready-mix plant.
4. Base Rent: $7,187.40 per calendar month or $86,248.80 per year.
5. Rent Credits: none
6. Removal Bond: Pacific Cement shall deliver to the Port a performance bond in the initial amount of $80,000.
7. Negative Declaration: On May 21, 1999, OER issued a Notice of Determination of Negative Declaration for the operation of a concrete ready-mix operation on the

proposed premises. Mr. Smith indicated that Rick Ramirez made a presentation to the Southern Waterfront Advisory Committee and took the initiative to chat with other community action groups inclusive of SAEJ. They worked out certain understandings of what the issues were in the area and both agreed and took those issues and comments to the Planning OER and were willing to include them into the Negative Declaration.

8. Hazardous Materials: Tenant is not permitted to handle contaminated soils.

Commissioner Hardeman asked how many people would Pacific Cement employ. Mr. Ramirez replied that initially there will be six employees and the workforce will go up to 15 employees within the year. He also noted that his company is a union shop.

Commissioner Brandon commended Mr. Ramirez for taking the time and going the extra step to ensure that everyone was satisfied. Commissioner McCarthy seconded Commissioner Brandon's comments.

ACTION: Commissioner Brandon moved approval; Commissioner Lee seconded the motion. All of the Commissioners were in favor; Resolution No. 99-39 was adopted.

7. FACILITIES & OPERATIONS

A. Approval of contract amendment with ROMA Design Group for the Downtown Ferry Terminal Project. (Resolution No. 99-37)

Nita Mizushima, Project Manager, requested the Commission to approve a sixth amendment to the existing professional services contract with Roma Design Group, the architectural-engineering consultant for the Downtown Ferry Terminal project. Modification of the design is needed to ensure project compatibility and coordination with the adjacent Ferry Building Renovation Project (FBR) and the Bay Area Council Water Transit Initiative (Initiative). Through the contract amendment, Port staff intends to accomplish a project that will accommodate extensive growth in water transit, which the Initiative has projected and achieve a cost savings of $2.3 million to the project.

In March, 1994, the Port selected and contracted with the consultant team led by ROMA Design Group (Consultant) for architectural and engineering services on the Downtown Ferry Terminal Project. As the project progressed, the Port secured additional outside funding and expanded the scope of the project accordingly. The total of the contract today with five amendments is $1.3 million. Due to the additional funds, and for other reasons, the contract was thereafter amended as follows:

Reasons for Current Contract Amendment: The Commission granted permission to advertise in December 1998. By January 1999, the design and specifications for the Downtown Ferry Terminal Project were complete and the Port had intended to advertise for construction. However, the project was halted for further review in order to coordinate design and construction with the Ferry Building Renovation Project for which a developer had been recently selected. During the course of this review, the Bay Area Council published its draft report on Water Transit for the San Francisco Bay. The report projected significantly higher regional ferry traffic than had been

previously anticipated and listed the Downtown Ferry Terminal as a major destination. This caused Port staff to embark on a parallel review of the Downtown Ferry Terminal Project to assure compatibility with the findings of the Bay Area Council. The details and recommendations of these reviews are as follows:

- Ferry Building Renovation Coordination. In November of 1998, a developer for the Ferry Building Renovation was selected and authorization was given to begin negotiations with William Wilson Associates, currently known as Wilson Cornerstone (Developer). Port staff and the Developer reviewed the scope and scheduling of the two projects and determined that significant changes to the scope of the Downtown Ferry Terminal Project were needed in order to minimize overlap and conflict between the projects. Port staff found that the following modifications to the scope of the Downtown Ferry Terminal Project are needed:

  - Deletions. Deletion of the central concourse, new boiler room, east canopy and previously planned improvements to the south arcade. The deleted elements will be re-designed and included in the Ferry Building Renovation Project. This will result in a savings of $2.3 million in construction costs to the Downtown Ferry Terminal Project.

  - Construction Phasing. Port staff recommends completion of the finishes to the north and east promenades in separate phases, and changes to the overall phasing of the project. The project phasing will be modified so that the majority of the project will be constructed by June of 2001. However, the phased finishes for the north and east promenades will be completed later, as part of the Ferry Building Renovation Project by June 2002. The phased completion of the promenades, however, will still require the construction support services of the Port's Consultant. Therefore, the Consultant's contract term must be extended for this period.

- Water Transit Initiative Coordination. In February 1999, the Bay Area Council published its draft report of the High Speed Water Transit Initiative "Bold Vision." The report projects future Bay Area Water Transit needs significantly higher than previously estimated for the Downtown Ferry Terminal Project. While the Initiative is still in its early stages and has not yet become legislation, Port staff considered it both necessary and prudent to undertake a critical review of the project with a view towards avoiding conflicts with future plans under the Water Transit Initiative. Staff and the Consultant reviewed the project with the following Initiative report findings in mind: the frequency of vessels, the anticipated standard vessel-types, the projected peak flow of passengers, passenger landside amenities, weather protection and intermodal connections. As a result of this joint review, Port Staff determined it was necessary to modify the scope of the project and Consultant's contract:

  - Project scope modifications. Due to projected vessel frequencies, Port staff desires a revised layout of the breakwater to facilitate quick ingress and egress at the south basin. Staff selected a layout alternative previously studied that will provide adequate protection from wave action. This new layout will result in a larger opening for increased vessel mobility, and a breakwater and public

access structure 640 feet in length but approximately 75% shorter than the current design. The ramping configuration on the float will also require modification to facilitate the need for faster passenger loading and unloading. The float canopy, previously deleted from the project due to a funding shortage, will be re-introduced and modified to protect passengers on the new ramp configuration.

- Costs: The total estimated construction cost for the Downtown Ferry Terminal Project is approximately $14 million.

  To date, the Consultant's total contract amount (including previous amendments) $1,312,224. Staff has negotiated with the Consultant for a price of $395,720 to complete the additional tasks contemplated by the contract amendment. With the approval of this contract amendment, the total consulting design project cost will be $1,707,944, representing 12% of the estimated construction cost. *With this amendment, the Disadvantaged Business Enterprise (DBE) participation in the consulting contract will be 16.5% as compared to the original goal of 22%. Port staff reviewed the scope of work for possible increased DBE participation. However, the opportunity for DBE consultant participation is limited because the new scope of work involves the modification of existing design drawings, rather than the development of new drawings, requiring the services of the original design engineer/architect.*

The Consultant contract amendment would be awarded in two parts: Task 1 – Finalize Bid Documents ($169,140), and Task 2 – Construction Support Services ($226,580). Port capital monies and Federal funds will be use to fund Task 1. The State funds will be allocated by August 1999 and will be used to fund the second task of the amendment.

Schedule: The schedule for the completion of the project by March of 2001 requires completion of the revised design by July 1999. Start of construction is anticipated in October 1999. To maintain sources of existing grant funding, and to minimize adverse impacts on the Ferry Building Renovation Project, it is critical to avoid delays to the start of construction.

Summary: Port staff requests that the Commission authorize this amendment to the existing contract with Roma Design Group in order to establish the above stated design objectives on this time-critical project. This will enable the Port to produce a project that is compatible with future Bay Area ferry service expansion and is coordinated with the Ferry Building Renovation Project.

Commissioner Brandon commented that the sixth amendment worried her but realized that with the additional funds, the company would be able to meet the DBE participation goals. However, with the recent change in the DBE participation goals, i.e. the consultant would not be able to meet the goals, it would be hard for her to support the project. Commissioner Brandon however realizes the time constraint of the project and hoped that with the additional monies, the DBE consultant would be able to at least meet the DBE goals, if not exceed them.

Ms. Mizushima concurred with Commissioner Brandon and added that this is a federally funded project so the goals are DBE rather than MBE/WBE. FTA determines the goals and the Port's goal is to meet and exceed the DBE requirements, especially during construction. Because of the scope of these changes, it is difficult to bring a new consultant at this point.

Commissioner Brandon commented that since this project has been amended in the last four or five years, she asked if the monies would be enough for the next three or four years. Mr. Alex Lee indicated that staff couldn't guarantee not asking the Commission for another amendment but he justified that this amendment was necessary because of the change in the scope of work.

Ms. Mizushima indicated that the scope of this work is intended to cover through construction completion.

Commissioner McCarthy commented that she too felt the same way as Commissioner Brandon but she commended staff for making certain that all of the construction would be compatible with other projects and new developments, especially with the ferry terminal.

ACTION: Commissioner Hardeman moved approval; Commissioner Lee seconded the motion. All of the Commissioners were in favor; Resolution No. 99-37 was adopted.

B. Authorization to award Contract No. 2659 for trail construction and landscaping at Pier 98 to the San Francisco League of Urban Gardeners. (Resolution No. 99-38)

Ms. Carol Bach, Project Manager, requested the Commission to approve the award of Contract No. 2659 for trail construction and landscaping at Pier 98 to the San Francisco League of Urban Gardeners and the California Conservation Corps.

Ms. Bach indicated that the heavy earthwork at Heron's Head Park is completed. All the grading has been completed, the landfill cap installed and the new wetlands area has been built. The channels feeding the wetlands have been excavated. The Port Commission previously adopted a resolution authorizing acceptance of grant funds from the San Francisco Bay Trail Regional Development Program (Resolution No. 98-38) for trail construction and landscaping at the Pier 98 wetlands and public access project. The Commission also adopted a companion resolution waiving competitive bid and prevailing wage requirements (Resolution No. 98-39), thereby enabling the award of sole source contracts for such work to the San Francisco League of Urban Gardeners (SLUG) and the California Conservation Corps (CCC), working as a subcontractor to SLUG. The Bay Trail grant funds are contingent upon using CCC to work on Bay Trail construction. SLUG specializes in hiring and training youth and adults from the Bayview Hunters Point area to protect and enhance parks and natural areas within the City. Their offices are located within a mile of Heron's Head Park and their employees come from within that community. SLUG employees and directors displayed tremendous support of the work the Port is doing at Heron's Head Park from the inception of this project as stewards of their community.

SLUG and CCC will construct trails, install site furnishings, propagate native plants, and install and maintain landscaping for three years, for a contract amount of $351,102. Staff recommends the award of the contract to SLUG and CCC for $421,322, which includes a 20% contingency, and authorization for the Executive Director to accept the work once it is complete.

Tony Weaver, SLUG Director of Conservation Programs, indicated that SLUG is a non-profit organization which started about 100 community gardens throughout the City but mainly in the Bayview Hunters Point area. They have expanded their scope to habitat restoration. Pier 98 is a very unique project for SLUG because it is the first project in the City to establish natural area in a previously industrial site. They will restore the habitat for native plants and wildlife. This would also be an educational site for the residents as well as a recreation area. SLUG has proven itself in the past with the maintenance of community gardens. They look forward to working with the Port.

Aaron Gardener, Crew Leader for SLUG and field supervisor representing SLUG and Bayview Hunters Point area, indicated that SLUG provides jobs at Bayview Hunters Point. This area is new to the community but have accepted it. He hoped that the Commission would take the initiative to dig often to SLUG and to the community to find out what SLUG is all about. SLUG provide jobs to the youths in their neighborhood.

Commissioner Brandon asked about the breakdown of contract amount to SLUG and CCC. Ms. Bach replied that SLUG would get the bulk of the contract amount. Since CCC does not have any crews based in San Francisco, they will probably utilize SLUG's crewmembers. CCC will receive approximately $10,000-$12,000 of the contract amount.

Commissioner Brandon asked about the groundbreaking ceremony. Ms. Bach replied that this is the last piece of work that needs to be done. It would take approximately 10-12 weeks for SLUG to complete the trail work and landscaping. It is anticipated that the groundbreaking will be sometime in the fall. They hope to have the students and teachers who participated in the program attend the groundbreaking ceremony.

Commissioner Hardeman commented Ms. Bach for her many years of effort on this project. He is delighted that SLUG is the recipient of the contract.

Commissioner McCarthy asked if CCC was included in the project because of a legislation. Ms. Bach replied to the affirmative and added that the ABAG grant is a line item that comes out of their budget. Commissioner McCarthy commended SLUG for their excellent work.

ACTION: Commissioner Lee moved approval; Commissioner Hardeman seconded the motion. All of the Commissioners were in favor; Resolution No. 99-38 was adopted.

8. PLANNING & DEVELOPMENT

A. Informational presentation of proposal by Stanford Hospitality, Inc. to develop hotel at Seawall Lots 324, 323 and 322-1 at Broadway and the Embarcadero.

Ms. Jennifer Sobol, Development Project Coordinator, indicated that on October 27, 1998, the Port Commission by Resolution No. 98-107 authorized issuance of a Request for Qualifications and Proposals for development of a full-service first-class hotel on parcels located at Broadway and The Embarcadero. The RFQ/P was issued on November 18, 1998. Three respondents submitted qualifications in response to the RFQ/P by the deadline of January 25, 1999: (1) Stanford Hospitality, Inc. (2) Promus Hotel Corporation/Koll Development, and (3) Tom Flowers Associates. At its March 9, 1999 meeting, the Port Commission by Resolution No. 99-18 invited two of the respondents - Stanford and Promus - to submit proposals for the hotel development opportunity.

Stanford Hospitality, Inc. was the only respondent to submit a proposal by the deadline of May 18, 1999 and they will be making a presentation to the Commission to describe its concept for the hotel. No action by the Commission is being requested at this time. It is expected that the Port Commission will be asked to take action at the next Commission meeting, scheduled for June 29, 1999.

Anthony Carter, Executive Vice President of Stanford Hospitality, introduced Bob Williams, Senior Vice President of Hotel Operations, Alberto Betolli and Pierro Patri of Patri/Merker Architects.

Mr. Carter indicated that Stanford Hospitality is a California corporation based in San Francisco since 1984, currently headquartered at 433 California Street. Over the years, they have looked at a number of hotel projects in San Francisco and none of them caught their imagination in the same way this project has done. Stanford Hospitality currently own and manage 17 hotels in the nation (Hilton, Marriott, Sheraton and Double Tree) employing about 3,000 people. They own and manage the Sheraton Gateway & Hotel at the San Francisco Airport and the Hilton Hotel in Concord; the Hilton, Marriott, and Double Tree in Los Angeles; Sheraton and Holiday Inn in Sacramento and bought a new hotel in San Diego last week. They have a very keen interest in ensuring that the right product is placed on this piece of land so as to produce the best possible revenue results for their company and the Port. They have instructed Patri/Merker Architects to carefully follow the guidelines and requirements set out by the Port in the RFP/Q and, in particular, to ensure the 65-foot height limit and produce a creative and attractive hotel which blends in with the current appearance of the northeast waterfront.

Mr. Carter indicated that the 400-room hotel will generate significant new employment and they are also in favor with the card/check arrangement with the unions. If awarded the project, they would value the opportunity to add to the beauty of the San Francisco waterfront while at the same time provide amenities which would be a benefit to the local community and to the visitors of the City.

Alberto Betolli, from Patri/Merker, outlined the design, appearance and amenities of the hotel and showed the Commission drawings of the proposed hotel. Mr. Betolli indicated that one the challenges they had with the project was the sides are complex because one is triangular in shape and the other is T-shape. With the hotel's close proximity to Telegraph Hill and the waterfront, the proposed hotel will have a general orientation to the bay view. The building located on the Front Street (between Embarcadero and Vallejo) retains the square bulk volume typical of the historical district. The building located on Broadway at Embarcadero has a series of stepping terraces toward the Embarcadero. Both buildings are six-story structures with a maximum height of 65 feet, stepping down to thirty feet in front of the Embarcadero and relating to the adjacent buildings. This would give the neighbors a view of the bay. A strong and simple cornice line will define the thirty-foot line. The base segment will feature rustification treatment to reinforce the façade line of continuity. The brick surfaces will be plain and simple. Windows will be deeply recessed. Concrete planters will define landscape edges on the terraces. An urban pattern is seen along the Embarcadero. It creates a series of interesting conditions of triangular shapes developed by the landscape and the potential of a courtyard. The recesses from the building respect the urban condition.

Because the buildable area falls into three separate sites, a centralized entry would be created. It would not be burden with traffic because the main entry will be on Davis Street. The 65 feet height limit provided them with two stories of public space for the ballrooms and meetings rooms (ground and second floors) and four floors of guestrooms. The ballroom will have an easy entrance from Front Street. On the third floor, they will create a terrace facing Front Street. The building facing Embarcadero will be a series of terraces from 30 feet to 65 feet. The small triangle facing Embarcadero gives an opportunity to create a unique restaurant with its own independent entrance, restaurant kitchen and back of house facilities. Approximately 200 parking stalls will be available for the hotel.

Based on the notion of orientation towards the bay, they created an internal street which the guests and visitors could use. The presence of the bay will always be prominent when arriving or departing the hotel.

Commissioner Hardeman complimented Mr. Betolli for his eloquent presentation.

Leo McLaughlin, Telegraph Hill Dwellers, indicated that the Telegraph Hill Dwellers have long supported developments at the northeast waterfront. They have actively worked with project developers within the northeast waterfront historic district. Since this is the first opportunity for the public to view the Stanford proposal, he cannot give an official opinion on the project. He offered personal observations and complimented the proponent on many features of the proposal. The height of the Embarcadero side of the structure and the way it steps back toward the west is quite sympathetic to the buildings in the historic district. The use of pier-like façade on the bottom stories is very compatible with most of what you see in the area. His complaint is the use of above ground connection. He wished that the Commission recommend to the proposer that the connection be made on the ground. He welcomes the use of Davis street as the egress and ingress for this project.

Piero Patri, Patri/Merker Architects, pointed out that they are being contextual by putting an air bridge at the second level because the Golden Gateway Commons also has a second level bridge connecting the buildings.

9. FINANCE & ADMINISTRATION

10. NEW BUSINESS / PUBLIC COMMENT

Richard Smith, General Manager of Westar, a maritime tenant, indicated that there are rumors about possible plans of moving the homeless shelter into Pier 50. The current homeless shelter is being razed to provide parking for the new Giants Ballpark. Westar operates a water taxi business 24 hours a day. They are concerned about security issues. They find the concept of people living on the pier inappropriate for this location. He asked the Commission to support a more appropriate location for the shelter. He suggested a location other than adjacent to a thriving marine business. He asked the Executive Director of the status of the rumored project.

City Attorney Noreen Ambrose commented that since this item is not on the agenda, it is not appropriate for discussion. She recommended that Mr. Smith talked to the Director after the meeting to get an update on the matter.

Shellie Walker, Vice Commodore of the Bayview Boat Club, indicated that she too has heard about the rumor about moving the homeless shelter currently situated at the corner of 3rd and 4th Streets and Mission Rock to Piers 50 or 70. The piers are old and are soaked in flammable and toxic materials. Having people live at the piers presents the possibility of fires and should be avoided at all costs. She asked the Commission to consider a more appropriate place for the homeless shelter, such as Pier 70.

Michael Levin spoke about the hotel proposal and commented about Mr. Patri's remarks on pedestrian bridges. Pedestrian bridges over the streets are not a good idea since the bridges block views and take the pedestrians off the streets. Pedestrians should be on the sidewalks. If it can be avoided, he suggested not building another pedestrian bridge.

With regard to the Lurline, Mr. Levin thought that the project is a wonderful idea; however, having it as a permanent hotel at Pier 30/32 is not. He favors the idea of the ship going on a periodic trip like the Jeremiah O'Brien.

The meeting was adjourned at 6:00 p.m.

NOTICE OF CANCELLATION

THE REGULAR PORT COMMISSION MEETING SCHEDULED FOR
TUESDAY, JUNE 22, 1999 AT 4:00 P.M.
IS CANCELLED

♦♦♦♦♦♦♦♦

A SPECIAL PORT COMMISSION MEETING
IS SCHEDULED FOR

TUESDAY, JUNE 29, 1999 AT 4:00 P.M.

in the Port Commission Room
Suite 3100, Ferry Building
San Francisco, CA 94111
(415) 274-0406

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PORT COMMISSION

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JUN 24 1999

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SPECIAL MEETING
3:00 P.M., TUESDAY, JUNE 29, 1999
Ferry Building, Suite 3100
San Francisco, CA 94111

AGENDA

1. **ROLL CALL**

2. **NEW BUSINESS/PUBLIC COMMENT**

   Public comment is permitted on any matter within Port jurisdiction and is not limited to agenda items. Public comment on non-agenda items may be raised during New Business/Public Comment. Please fill out a speaker card and hand it to the Commission Secretary. If you have any question regarding the agenda, please contact the Commission Secretary at 274-0406.

3. **EXECUTIVE SESSION**

   A. Vote on whether to hold closed session to confer with Legal Counsel and Real Property Negotiator.

   B. CLOSED SESSION

      (1) CONFERENCE WITH REAL PROPERTY NEGOTIATOR - This is specifically authorized under California Government Code Section 54956.8.
      This session is closed to any non-City/Port representative.

         a. Property: Port Property located at Seawall Lot 337
         Person Negotiating: Port of San Francisco: Paul Osmundson, Director of Planning & Development
         *CBBC: Jack Bair

         Under Negotiation: ___ Price ___ Terms of Payment X Both
         An executive session has been calendared to discuss real estate negotiations between the Port and CBBC regarding Port property located at SWL 337.

b. Property: Broadway Hotel Property Seawall Lot 324, 323, 322-1
Person Negotiating: Port of San Francisco: Kirk Bennett, Waterfront Development Project Manager
*Stanford Hospitality, Inc.: Anthony Carter

Under Negotiation: ___ Price ___ Terms of Payment X Both
An executive session has been calendared to provide instructions to property negotiator regarding evaluation of proposal submitted for the Port property located at SWL 324, 323, 322-1.

c. Property: Ferry Building
Person Negotiating: Port of San Francisco: Paul Osmundson, Director of Planning & Development
*Wilson-Cornerstone: Richard Springwater

Under Negotiation: ___ Price ___ Terms of Payment X Both
An executive session has been calendared to discuss real estate negotiations with Wilson-Cornerstone regarding the Ferry Building renovation project.

d. Property: Gabbiano's Restaurant
Person Negotiating: Port of San Francisco: Philip Smith, Director of Real Estate
*Gabbiano's: George Lu

Under Negotiation: ___ Price ___ Terms of Payment X Both
An executive session has been calendared to discuss real estate negotiations with Gabbiano's regarding the Gabbiano's Restaurant.

e. Property: World Trade Club
Person Negotiating: Port of San Francisco: Paul Osmundson, Director of Planning & Development
*World Trade Club: Fred Winter

Under Negotiation: ___ Price ___ Terms of Payment X Both
An executive session has been calendared to discuss real estate negotiations with the World Trade Club.

f. Property: Foreign Trade Zone located at Piers 19-23
Person Negotiating: Port of San Francisco: Peter Dailey, Director of Maritime
*Foreign Trade Zone: Claude Jacques

Under Negotiation: ___ Price ___ Terms of Payment X Both
An executive session has been calendared to discuss real estate negotiations with Foreign Trade Zone.

(2) CONFERENCE WITH LEGAL COUNSEL REGARDING EXISTING AND ANTICIPATED LITIGATION MATTERS:

a. Discuss existing litigation matter pursuant to subdivision (a) of the California Government Code Section 54956.9 (one case).

- CICO-RW vs. Port of San Francisco, San Francisco Superior Court No. 989-618.

b. Discuss significant exposure to litigation pursuant to subdivision (b) of the California Government Code Section 54956.9 (one case).

4. RECONVENE IN OPEN SESSION

A. Possible report on actions taken in closed session pursuant to Government Code 54957.1(a)2 and San Francisco Administrative Code 67.14(b)(2).

B. Vote in open session on whether to disclose any or all executive session discussions pursuant to Government Code 54957.1(a)(2) and San Francisco Administrative Code 67.14(b)(2).

5. ADJOURNMENT

CITY & COUNTY OF SAN FRANCISCO
PORT COMMISSION

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MINUTES OF THE SPECIAL MEETING
3:00 P.M., TUESDAY, JUNE 29, 1999

1. ROLL CALL

Commission President Denise McCarthy called the meeting to order at 3:06 p.m. The following Commissioners were present: Denise McCarthy, Kimberly Brandon, Michael Hardeman, Brian McWilliams and Pius Lee.

2. NEW BUSINESS/PUBLIC COMMENT

Aaron Paskin, President of the Telegraph Hill Dwellers (THD), addressed the Commission with regard to the proposed hotel project at Broadway and the Embarcadero. The THD are not opposed to the development on the site; however, from the outset, they have been concerned about the pre-determination of the use. They were active during the implementation and creation of the Waterfront Land Use Plan and recognize that, under the Plan, this is an opportunity area. If consulted, members of the community in conjunction with Port staff may ultimately reach the conclusion that was pre-determined. In this economic climate, they expected a host of bidders and are concerned that only one bid for the hotel project was submitted. They believe that this may be an indication that the market may not agree with the most optimal use of the site. He encouraged the Commission to consider revisiting the matter and reopen the use to public discussion in keeping with the spirit of the WLUP. If all parties reach the conclusion that this is the most optimal use of that site, at least for the extra time invested, the Commission would be assured of all the various stakeholders.

Janet Morcom, President of the Golden Gateway Commons Residential Association, concurred with Mr. Paskins' comments. She sent a letter to the Commission outlining their position in detail. She asked the Commission to consider the existing neighborhood before making the final determination of the type of development for the site and give them more consideration and input into the Commission's decision.

3. EXECUTIVE SESSION

A. Vote on whether to hold closed session to confer with Legal Counsel and Real Property Negotiator.

ACTION: Commissioner Hardeman moved approval; Commissioner Lee seconded the motion. All of the Commissioners were in favor.

At 3:10 p.m., the Commission Secretary announced that the Commission will withdraw to executive session to discuss the following:

B. CLOSED SESSION

(1) CONFERENCE WITH REAL PROPERTY NEGOTIATOR - This is specifically authorized under California Government Code Section 54956.8. ***This session is closed to any non-City/Port representative.***

a. Property: Port Property located at Seawall Lot 337
Person Negotiating: Port of San Francisco: Paul Osmundson, Director of Planning & Development
*CBBC: Jack Bair

b. Property: Broadway Hotel Property Seawall Lot 324, 323, 322-1
Person Negotiating: Port of San Francisco: Kirk Bennett, Waterfront Development Project Manager
*Stanford Hospitality, Inc.: Anthony Carter

c. Property: Ferry Building
Person Negotiating: Port of San Francisco: Paul Osmundson, Director of Planning & Development
*Wilson-Cornerstone: Richard Springwater

d. Property: Gabbiano's Restaurant
Person Negotiating: Port of San Francisco: Philip Smith, Director of Real Estate
*Gabbiano's: George Lu

e. Property: World Trade Club
Person Negotiating: Port of San Francisco: Paul Osmundson, Director of Planning & Development
*World Trade Club: Fred Winter

f. Property: Foreign Trade Zone located at Piers 19-23
Person Negotiating: Port of San Francisco: Peter Dailey, Director of Maritime
*Foreign Trade Zone: Claude Jacques

(2) CONFERENCE WITH LEGAL COUNSEL REGARDING EXISTING AND ANTICIPATED LITIGATION MATTERS:

a. Discuss existing litigation matter pursuant to subdivision (a) of the California Government Code Section 54956.9 (one case).

- CICO-RW vs. Port of San Francisco, San Francisco Superior Court No. 989-618.

b. Discuss significant exposure to litigation pursuant to subdivision (b) of the California Government Code Section 54956.9 (one case).

4. RECONVENE IN OPEN SESSION

At 5:05 p.m., Commissioners McCarthy, Brandon, Hardeman, McWilliams and Lee returned from executive session and convened in open session.

ACTION: Commissioner Brandon moved approval not to disclose any information discussed in the executive session. Commissioner McWilliams seconded the motion. All of the Commissioners were in favor.

The meeting was adjourned at 5:07 p.m.

SAN FRANCISCO
PORT COMMISSION

SPECIAL MEETING
4:00 P.M., TUESDAY, JUNE 29, 1999
Ferry Building, Suite 3100
San Francisco, CA 94111

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JUN 24 1999

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AGENDA

1. **ROLL CALL**

2. **APPROVAL OF MINUTES** - June 8, 1999 Special Meeting
   - June 8, 1999 Regular Meeting

3. **EXECUTIVE**

   A. Executive Director's Report

   B. Approval of and recommendations regarding the design plans, site remediation plans and drainage plans for the Ballpark Parking Lots located south of China Basin Channel on or near Third Street. (Resolution No. 99-47)

   NOTICE: This activity is within the scope of the program approved earlier, and the program EIR adequately describes the activity for the purposes of CEQA. The San Francisco Giants Ballpark FEIR is both a project EIR and a program EIR under CEQA Guidelines Section 15180.

4. **CONSENT CALENDAR**

   A. Approval of sublease from the Franciscan Restaurant to Tower Tours under Port Lease No. L-7496 for premises located at Pier 43-½ for use of approximately 2,100 sq. ft. for bus tour ticket sales. (Resolution No. 99-50)

5. **MARITIME**

   A. Approval of amendments to Port Tariff No. 4 regarding fish sales from commercial fishing vessels at Fisherman's Wharf Harbor. (Resolution No. 99-48)

   B. Adoption of Maritime Rental Rate Schedule. (Resolution No. 99-49)

6. **REAL ESTATE**

7. **FACILITIES & OPERATIONS**

8. PLANNING & DEVELOPMENT

A. Authorization for the Executive Director to apply for, accept and expend $1.3 million of Ferry Boat Discretionary Funding, TEA 21 from the Federal Highway Administration, for the North Ferry Terminal. (Resolution No. 99-43)

B. Authorization to apply for, accept and expend approximately $40,000 in Metropolitan Transportation Commission (MTC) Toll Bridge Monies for a Public Information Program, *"FASTFerry"* during construction of the Downtown Ferry Terminal. (Resolution No. 99-44)

C. Authorization to Issue a Request for Proposals ("RFP") for the development and lease of Pier 45 Shed A at Taylor Street and The Embarcadero in Fisherman's Wharf, and adoption of amendments to the Waterfront Land Use Plan related to Pier 45 Shed A. (Resolution No. 99-45)

D. Approval of consultant contract for the Fisherman's Wharf Interpretive Signage Program for graphic design and program refinement. (Resolution No. 99-46)

E. Informational presentation of proposed PortWalk Design Standards for new open spaces along the waterfront.

9. FINANCE & ADMINISTRATION

10. NEW BUSINESS / PUBLIC COMMENT

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11. ADJOURNMENT

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PORT OF SAN FRANCISCO

PUBLIC NOTICE

The following item will be heard at the Port Commission meeting scheduled on:

TUESDAY, JUNE 29, 1999 AT 4:00 P.M.
IN THE PORT COMMISSION ROOM
SUITE 3100, FERRY BUILDING
SAN FRANCISCO, CA 94111

PLANNING & DEVELOPMENT

A. APPROVAL OF AND RECOMMENDATIONS REGARDING THE DESIGN PLANS, SITE REMEDIATION PLANS AND DRAINAGE PLANS FOR THE BALLPARK PARKING LOTS LOCATED SOUTH OF CHINA BASIN CHANNEL ON OR NEAR THIRD STREET.

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Please be advised that the following analyses are available for review at the Port offices at the Ferry Building, Suite 3100. Please contact Kari Kilstrom at 274-0536 to make arrangements.

- Analysis of the additional stormwater runoff from the Ballpark Parking Lots and an analysis of the effects, if any, on the flows into the Bay and/or overflows of the City's combined sewer system into the Bay and the measures which have been considered to reduce any potential adverse effects from additional stormwater runoff from the Ballpark Parking Lots;

- Analysis of additional sanitary sewage and stormwater runoff generated by reasonably foreseeable future developments in conjunction with the new Giants Parking lot drainage concept.

DISABILITY ACCESS

The Port Commission office is located on the third floor of the Ferry Building, Suite 3100. The Port office is wheelchair accessible. Accessible seating for persons with disabilities (including those using wheelchairs) will be available. The closest accessible BART and MUNI Metro station is Embarcadero located at Market and Spear Streets. Accessible MUNI lines serving the Ferry Building are the 9, 31, 32 and 71. For more information about MUNI accessible services, call 923-6142. *Due to the Mid-Embarcadero construction, there is no accessible parking at the Ferry Building and at the public lot in the Embarcadero median in front of the Ferry Building. Parking is available at Rincon (Spear between Mission & Howard), One Market Plaza (Spear between Market & Mission), Embarcadero Center 4 (Clay between Davis & Drumm) and 50 California Garage (Sacramento between Davis & Drumm).* Assistive listening devices are available for use in the Port Commission Meeting. The following services are available on request 72 hours prior to the meeting: (1) American Sign Language Interpreters; (2) A Sound Enhancement System; (3) The use of a reader during the meeting and (4) copies of the agenda or minutes of the meeting in alternative formats. Please contact Kevin Jensen, the Port's ADA Coordinator at (415) 274-0555. Late requests will be honored if possible. Please contact the Commission Secretary at (415) 274-0406 should you require large print of the agenda.

In order to assist the City's efforts to accommodate persons with severe allergies, environmental illnesses, multiple chemical sensitivity or related disabilities, attendees at public meetings are reminded that other attendees may be sensitive to various chemical-based products. Please help the City accommodate these individuals.

Know Your Rights Under the Sunshine Ordinance

Government's duty is to serve the public, reaching its decisions in full view of the public. Commissions, boards, councils and other agencies of the City and County exist to conduct the people's business. This ordinance assures that deliberations are conducted before the people and that City operations are open to the people's review. For more information on your rights under the Sunshine Ordinance (Chapter 67 of the San Francisco Administrative Code) or to report a violation of the ordinance, contact the Sunshine Ordinance Task Force at 554-4851.

San Francisco Lobbyist Ordinance

Attention: Individuals and entities that influence or attempt to influence local legislative or administrative action may be required by the San Francisco Lobbyist Ordinance (SF Admin. Code 16.520 – 16.534) to register and report lobbying activity. For more information about the Lobbyist Ordinance, please contact the Ethics Commission at 1390 Market Street, #701, San Francisco, CA 94102, phone (415) 554-9510 or fax (415) 703-0121 and web site http://www.ci.sf.ca.us/ethics/.

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PUBLIC MEETINGS
JULY 1999

CALENDAR OF UPCOMING PORT MEETINGS - OPEN TO THE PUBLIC

Date	Time	Group	Location
Thursday, July 8	3:00 p.m.	Northeast Waterfront Advisory Group	Pier 31 Bulkhead
Monday, July 12	5:30 p.m.	Southeast Waterfront Advisory Group	Port Commission Room Ferry Building
Tuesday, July 13	4:00 p.m.	Port Commission	Port Commission Room Ferry Building
Tuesday, July 20	11:00 a.m.	Waterfront Design Advisory Committee	Port Commission Room Ferry Building
Thursday, July 22	3:00 p.m.	Northeast Waterfront Advisory Group	Pier 31 Bulkhead
Tuesday, July 27	4:00 p.m.	Port Commission	Port Commission Room Ferry Building

NOTES:

The San Francisco Port Commission meets regularly on the 2nd and 4th Tuesday of the month at 4:00 p.m. Contact Amy Quesada, Port Commission Secretary at 274-0406, to be placed on the mailing list for Commission meeting agendas.

The Rincon Point-South Beach CAC will meet at 6:00 – 8:00 p.m. on Wednesday, July 21, 1999 at the South Beach Yacht Club, Pier 40 at Embarcadero. Contact Amy Neches, Redevelopment Agency at 749-2450, for more information.

Port Website: Check out the Port's Website at **www.sfport.com**

Questions/Contacts

Pier 45 Advisory Group	Kirk Bennett	274-0545
Northeast Waterfront Advisory Group	Kirk Bennett	274-0545
Bryant Street Pier Advisory Group	Anne Cook	274-0483
Southern Waterfront Advisory Committee	Braj Norris	274-0540
Port of San Francisco Reception		274-0400

PORT OF SAN FRANCISCO

Ferry Building
San Francisco, CA 94111
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MEMORANDUM

June 23, 1999

TO: MEMBERS, PORT COMMISSION
Hon. Denise McCarthy, President
Hon. Kimberly Brandon, Vice President
Hon. Michael Hardeman
Hon. Brian McWilliams
Hon. Pius Lee

FROM: Douglas F. Wong
Executive Director

SUBJECT: Design Plans, Site Remediation Plans and Drainage Plans for the Ballpark parking lots located south of China Basin Channel along and near Third Street.

DIRECTOR'S RECOMMENDS: APPROVE DESIGN PLANS, SITE REMEDIATION PLANS AND DRAINAGE PLANS FOR PACIFIC BELL BALLPARK PARKING LOT AT SEAWALL LOT 337 AND MAKE RECOMMENDATIONS TO OTHER CITY DEPARTMENTS FOR PARKING LOTS OUTSIDE OF PORT JURISDICTION.

BACKGROUND

In July 1997, the Port Commission approved a Ground Lease with the China Basin Ballpark Company LLC (CBBC) to develop and operate Pacific Bell Park (Ballpark), the new home for the San Francisco Giants baseball team. In September 1997, the Port Commission approved another lease with CBBC for Seawall Lot 337 (SWL 337) to be developed as a surface parking lot for baseball games, special events and any other permitted use of the Ballpark. Section 38.1 of the parking lot lease requires review and approval of the parking lot design by the Port Commission.

On September 4, 1997, the Zoning Administrator issued a letter approving proposed parking lots located within and outside the Port's jurisdiction as a Mission Bay temporary use, subject to certain project design features. The design of the parking, including screening, landscaping and street improvements, signage, fencing, lighting and vehicular access, would be contingent on review by the Zoning Administrator consistent with his letter dated September 4, 1997 and other permitting agencies including the Port for Port property, the Department of Building Inspection (DBI) and the San Francisco Redevelopment Agency for parking lots in the Mission Bay South Redevelopment Plan Area.

This Print Covers Calendar Item No. **3B**

Pursuant to an agreement with CBBC and San Francisco BayKeeper (BayKeeper), the Port agreed to hold a public hearing to review and approve the design plans and any site remediation and drainage plans for the Ballpark parking lots on property within Port jurisdiction and make recommendations, if appropriate, to other City departments with respect to any approvals to be made for Ballpark parking lots located outside its jurisdiction.

For purposes of compliance with the California Environmental Quality Act (CEQA), approvals for the parking lots are part of the Ballpark project for which the Planning Commission and the Redevelopment Agency certified an environmental impact report (Ballpark EIR) and the Port Commission adopted findings by Resolution 97-53. The Planning Department has prepared a Memorandum including Addendum No. 3 to the Ballpark EIR because additional approval actions are now required for parking lot development and additional information is now available regarding the location, design, and construction of the parking areas.

PROJECT DESCRIPTION

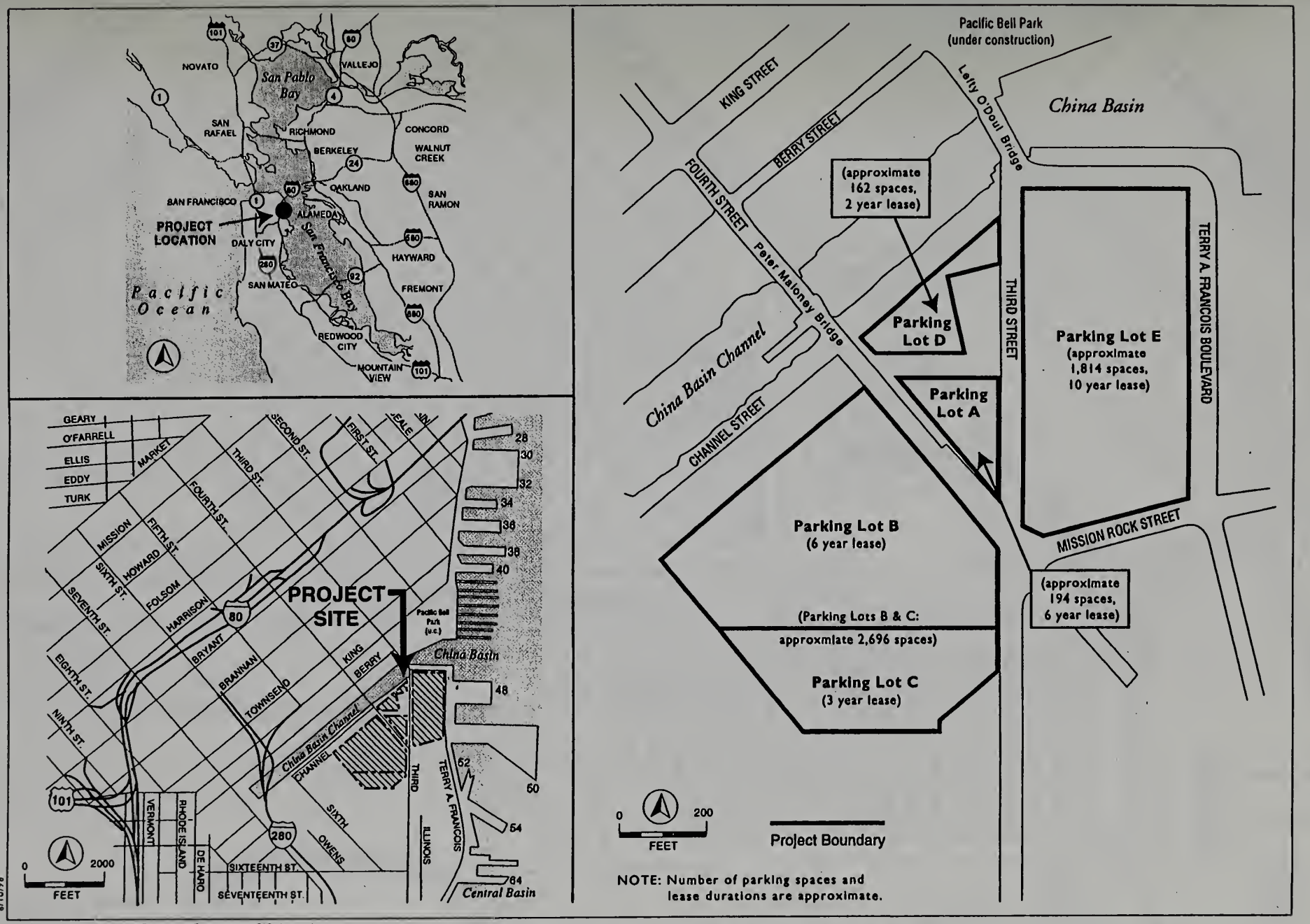
CBBC has retained, and the Port Commission has previously approved, Imperial Parking, Inc. to develop and operate parking lots south of the China Basin Channel near Pacific Bell Park, as shown in Figures 1 and 2. The proposed parking lots would accommodate approximately 5,000 parking spaces on five discrete lots, about 37 acres in total.

CBBC entered into a 10-year lease with the Port for SWL 337 (Parking Lot E). Parking Lots A, B, C and D are on land owned by the Catellus Development Corporation (Catellus) and the City and County of San Francisco, with leases ranging from 2-6 years. The proposed parking lots outside of Port jurisdiction are within the Mission Bay South Redevelopment Plan Area. As Mission Bay develops, changes are projected for both the street system and the areas available for parking. For example, Fourth Street will eventually terminate at the future Owens Street alignment allowing Lots A and B to be combined. The parking lot layout will then be re-evaluated to take advantage of the new street geometry. As the Mission Bay development proceeds in the areas proposed for interim parking, the parking lots will be phased-out.

The following design plans and analyses have been submitted for the Port Commission's review and approval and are on file with the Port Commission's Secretary. These plans are described in further detail below:

- Installation Plan for the South of China Basin Parking Lots (Installation Plan), including an analysis of the effect of additional storm water runoff from the parking lots on the overflows of the City's combined sewer system; an extension of that analysis to include the cumulative effect of the parking lots and reasonably foreseeable future developments; and measures which have been considered to reduce any potential adverse effects from additional storm water runoff from the Ballpark parking lots.

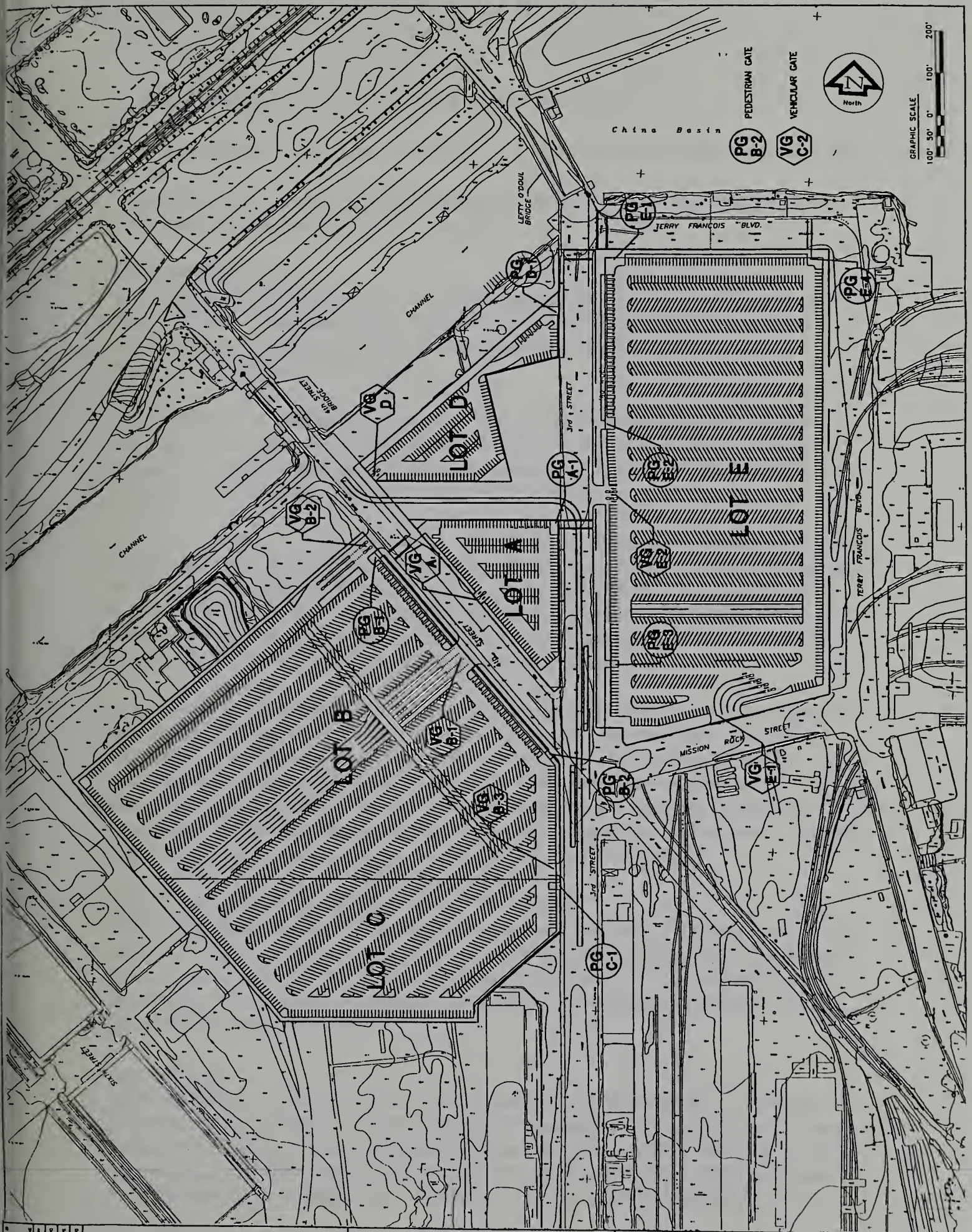
- June 14, 1999 Letter to Douglas Wong, Executive Director, Port of San Francisco; Robert Passmore, Zoning Administrator and Anthony DeLucchi, Department of Real Estate (Letter of June 14, 1999) from CBBC re: Ballpark Parking Lot Development Project.



SOURCE: Rutherford & Chekene Engineers, EIP Associates

EIR ADDENDUM: INTERIM PARKING FOR PACIFIC BELL PARK

FIGURE 1: PROJECT LOCATION AND SITE PLAN



PARKING MAP

FIGURE 2

IMPERIAL - WEITZ
GIANTS BALL PARK
PARKING LOTS

RUTHERFORD & CHEKENE
Consulting Engineers
303 Second Street, Suite 600 North
San Francisco, California 94107
Tel: (415) 495-4222

- Soil Management Plan (SMP) for Lot E (Seawall Lot 337)

- Risk Management Plan (RMP) for Lots A, B, C and D (owned by Catellus and the City)

- Memorandum from City Planning, including Addendum No. 3 to the Final EIR, Giants Ballpark Project, June 16, 1999 (Addendum).

REVIEW PROCESS

The design concepts and analyses in the Installation Plan have been reviewed by staff of the Public Utilities Commission (PUC), Department of Public Works (DPW), Department of Transportation (DPT), DBI, the Planning Department and the Port's Engineering and Planning and Development Divisions.

The Department of Health has reviewed the SMP and the RMP and has determined that compliance with these plans will satisfy the City and County of San Francisco's Public Works Code Article 20 (Maher Ordinance) requirements. The Regional Water Quality Control Board (RWQCB) approved the RMP in May 1999.

In accordance with a settlement agreement with the Port, CBBC and BayKeeper, the Port and CBBC have met with BayKeeper to discuss the aforementioned design plans and storm water analyses, the Port has provided the required notice for this public hearing, and all required documents have been made available to the public. The Port and CBBC also met with representatives of San Francisco Tomorrow (SFT) and Mission Creek Harbor Association (the Harbor Association) to discuss the parking lot design plans.

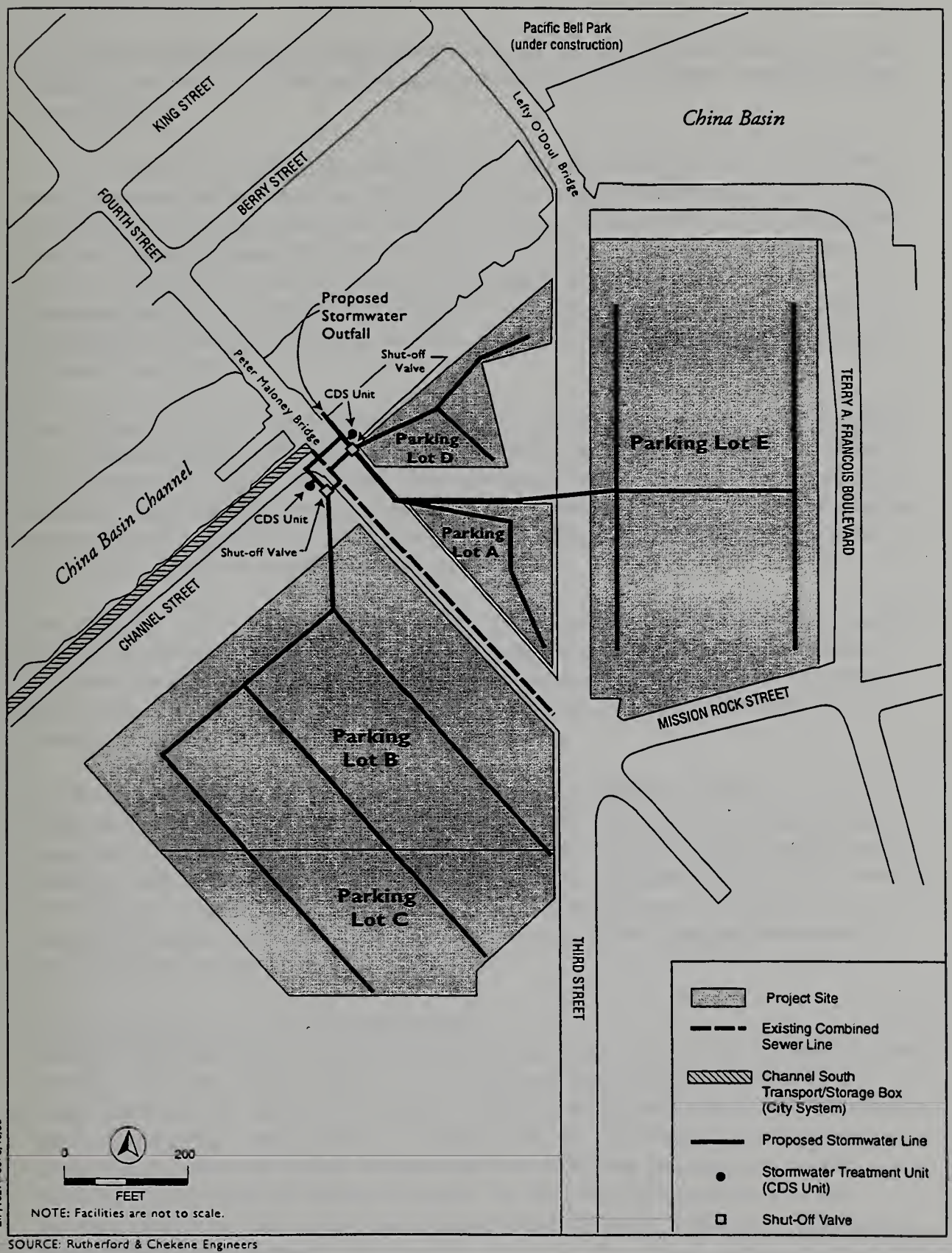
In addition to the Port Commission's approval of the design of the improvements and project features for Parking Lot E contained in the Installation Plan, the Port's Executive Director will approve Final Construction Documents prior to issuance of a building permit in accordance with the provisions of the parking lot lease. The Executive Director's review will include determining that the Final Construction Documents are consistent with the Port Commission's prior approvals, including its approval of design features hereunder. Proposed signage will be reviewed in accordance with the Port's Sign Guidelines.

DESIGN FEATURES AND RECOMMENDATIONS

The primary design features of the parking lots are described below. Approval of the design for SWL 337 (Lot E) is recommended, subject to the conditions incorporated in Attachment B to proposed Resolution 99-47. Recommendations to other City departments with respect to any approvals to be made for Ballpark parking lots located outside its jurisdiction are included in Resolution 99-47.

Drainage Plan

Storm water from the paved surfaces of each parking lot would generally flow through new underground pipes to the City's combined sewer system and into the existing Channel South Transport/Storage Box at Channel Street, adjacent to Lot B/C, and from there, via the City's combined sanitary and storm water sewer system to the Southeast Water Pollution Control Plant (SEWPCP) for treatment and discharge (see Figure 3). The drainpipes between SWL



SOURCE: Rutherford & Chekene Engineers

EIR ADDENDUM: INTERIM PARKING FOR PACIFIC BELL PARK

FIGURE 3: STORMWATER MANAGEMENT SYSTEM: OPTION A

337 (Lot E) and the outfall are located within the Third and Fourth Street right-of-ways and within property owned by Catellus, therefore, the Port will require utility easements through these locations.

Storm water would enter the system at inlets spread throughout the parking lots. The inlets would have catch basins consisting of a sump, an inverted pipe that functions as an oil/water separator, and an oil absorbent filter. During major storm events, flow from the parking lots into the Transport/Storage Box would be shut off to prevent an increase in combined sewer overflows (CSOs) due to parking lot flows. The shut-off valves would close when the Transport/Storage box sewer reaches about 85% of its storage capacity, and storm water would then be diverted and discharged directly to China Basin Channel after treatment by a liquid/solid separator.

The discharge point (i.e. the outfall) would consist of two 36-inch diameter outfall pipes just east of the Peter Maloney (Fourth Street) Bridge on the south side of China Basin Channel and surrounded by rip/rap. Regulatory approvals from outside agencies will be required to install the outfall for the treated storm water. When the storm subsides and the water level in the Transport/Storage Box goes down (to about 26% of its storage capacity), storm water flow to the Transport/Storage Box would resume.

The PUC staff 's review of the Installation Plan concluded that the Giants' proposed drainage plan for the parking lots south of China Basin would not increase the current incidence of CSOs into the Bay. Port staff believes that this drainage plan for SWL 337 and the parking lots outside of Port jurisdiction is a functional system that will improve the quality of water draining to the Bay and should be approved.

The Regional Water Quality Control Board requires the operator to prepare a Storm Water Pollution Prevention Plan (SWPPP) to prevent erosion and sedimentation impacts during construction and the project sponsor has agreed to implement a SWPPP that includes certain specified "best management practices". In addition, the project sponsor has agreed to develop and implement a storm water management program for operating the parking lots in consultation with PUC, which would include such requirements as regular maintenance of the storm water treatment units.

Soil Management and Risk Management Plans

The site investigation and assessment of potential risk to on-site construction workers, nearby receptors and future visitors at SWL 337 (Lot E) found that existing concentrations of potentially hazardous constituents are below levels that would pose a health risk. Therefore, a site mitigation plan is not required under Article 20 of the San Francisco Administrative Code (Maher Ordinance). A Soil Management Plan (SMP) was prepared as a prudent measure to control dust and minimize erosion. The SMP describes guidelines for soil handling, stockpiling, dust control and erosion minimization and, if necessary, soil disposal during construction activities.

Catellus has prepared a Risk Management Plan (RMP) for Mission Bay, which includes Lots A, B, C and D. The RMP provides methods and procedures to manage potential risks

associated with soil and groundwater in the Mission Bay project area, and was approved by the Regional Water Quality Control Board in May 1999.

Compliance with the SMP and RMP will satisfy the City and County of San Francisco's Article 20 (Maher Ordinance) requirements.

Design Plan

The parking lot design plan consists of a striping plan, pedestrian walkways, vehicle ingress and egress, landscaping, fencing, and lighting. The parking lots will be developed as an interim use; therefore, the scope of visual and physical amenities is commensurate with the relatively short-term use of the properties.

Fencing will be installed along the perimeter of all lots. The fencing and gates will be chain link, with vinyl coating and approximately 42 inches in height. Drought tolerant vines that bloom during the spring and summer seasons will be planted at ten-foot intervals along the entire length of the perimeter fence around Lot E, on the fence lines that run along 3rd and 4th Streets, and on the southeastern corner of Lot C and Lot B on the portion parallel to Channel Street. The vines will provide visual enhancement to and partially screen the parking lots.

Representatives from the Harbor Association and SFT have expressed an interest in additional landscaping. In a letter to the CBBC, SFT acknowledged that "...the site conditions and interim nature of the use preclude tree planting", but would like some additional landscaping incorporated in the design. The Harbor Association has requested that some additional landscaping be incorporated along the northerly edge of Lot B to provide visual relief of the parking lot from Channel Street. Port staff has considered these requests carefully in light of the interim nature of the parking lots, the long term plans for both the Port and Catellus properties, the planned closure of a portion of Fourth Street, setbacks from neighboring uses, and lines-of-sight toward the waterfront and the Bay. Based upon staff's analysis for the parking lots outside of the Port's jurisdiction, Port staff recommends that CBBC or its subtenant plant clusters of trees along the northerly edge of Lot B.

For the parking lot within the Port's jurisdiction (Lot E), staff believes that additional landscaping other than the vines along the perimeter fencing would not be appropriate at this time. Views of Lot E (Seawall Lot 337) are predominantly from Third Street. Under the Mission Bay South Owner Participation Agreement, Catellus will install permanent streetscape improvements, including street trees, along both sides of Third Street with each development project that abuts Third Street. The planned improvements to Third Street involve changes to the street grade and establishment of curb and sidewalk elevations, which necessarily precede the installation of landscape and irrigation systems. In light of these existing plans for the Third Street side of Lot E, staff believes additional interim plantings are not necessary.

Lot E is also bounded by Mission Rock Street on the south and by Terry Francois Boulevard on the north and east. Regarding additional landscaping on Terry Francois Boulevard, public access and landscaping improvements are already under design for the shoreline area north of Lot E (along China Basin Channel) which will become a focal point along the shoreline.

Terry Francois Boulevard is part of the Bay Trail and views toward the Bay, the Port's cargo piers and various maritime uses are valued. Port staff therefore recommends against planting trees here. In the long-term, the easterly half of Seawall Lot 337 is designated for maritime use, to serve as a backland support-area for Piers 48 and 50, and is a "Port Priority Use Area" in BCDC's Seaport Plan. While interim uses are permitted within a Priority Use Area, it would be inappropriate to install landscaping or other improvements that could preclude or contribute to the expense of readily converting the site to support a marine terminal when it is needed. Consideration was given to the use of bushes or shrubs, however these types of plantings pose a security problem due to the potential for shrubs to conceal persons from a pedestrian's line of sight. Port staff recommends that permanent landscaping for this area should be the subject of careful consideration when permanent or longer-term uses are put into place.

Port staff recommends that CBBC or it's subtenant install an automatic irrigation system to establish and maintain all of the landscape materials and that any unhealthy, unsightly, or dead plants be replaced with new plantings. These conditions, as set forth is Attachment B of the Resolution, along with the fencing and vine plantings proposed, will result in a design that is attractive and well maintained and appropriate given the interim and long-term plans for the site.

The lighting fixtures for the parking lots will be multi-fixture High-Pressure Sodium (HPS) or Metal Halide. To control light spill and glare, "sharp cut-off" fixtures would be used with a cutoff angle of 45 degrees. Spill lighting would be 0.25 foot-candles or less at 5 feet from the property line.

Pedestrian pathways are proposed to provide the most direct route between the parking lots and the Ballpark. Final construction drawings should include continuous, safe pedestrian walkways along both sides of Third Street subject to the availability of the necessary rights-of-way across Catellus or City owned property.

CEQA Compliance

The Department of City Planning has prepared, and the Port Commission have all received, a Memorandum to City Planning File No. 96.176E dated June 16, 1999 including Addendum No. 3 to the Giants Ballpark Final EIR that analyzed the potential impacts arising from the parking lot design. City Planning has also prepared proposed parking lot findings, which incorporate by reference the findings adopted by the Port Commission under Resolution 97-53, except as modified by the parking lot findings. The parking lot findings are attached and incorporated into Resolution 99-47, as Attachment A, including Exhibit 1, a mitigation monitoring and reporting program for the parking lots.

Prepared by: Paul Osmundson
Director of Planning and Development

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 99-47

WHEREAS, On March 26, 1996, the voters of the City and County approved Proposition B, which made certain changes to the City's zoning laws to allow a new ballpark to be developed privately at China Basin on a site bounded generally by King Street, Second Street, China Basin Channel and Third Street; and

WHEREAS, China Basin Ballpark Company LLC ("CBBC") is a limited liability company, which the owners of the San Francisco Giants baseball team have organized to lease the China Basin site and develop and operate the new ballpark and related improvements; and

WHEREAS, On June 26, 1997, the City Planning Commission, by Resolution No. 14398, and the Redevelopment Agency Commission, by Resolution No. 96-97, certified the Final Environmental Impact Report for the ballpark project ("FEIR") as accurate, adequate and objective and in compliance with the California Environmental Quality Act ("CEQA") and the CEQA Guidelines; and

WHEREAS, the Port Commission has reviewed and considered the information contained in the FEIR; and

WHEREAS, On July 16, 1997, the Port Commission, by Resolution No. 97-53 adopted CEQA findings related to the ballpark project, and by Resolution Nos. 97-54, 97-55, 97-56, 97-57, and 97-58, approved a Lease Disposition and Development Agreement, a Ground Lease, and a Non-Relocation Agreement and Guaranty, all with CBBC, and a Purchase and Sale Agreement with Cal Trans to allow development of the ballpark project at the China Basin location; and

WHEREAS, In Attachment A to Resolution No. 97-53, the Port Commission found that the ballpark project proposes approximately 5,000 off-site dedicated interim ballpark parking spaces for ballpark games and special events located south of the China Basin Channel on property owned by the Port and Catellus Development Corporation, and that the proposed parking is analyzed in the FEIR; and

WHEREAS, On September 9, 1997, the Port Commission, by Resolution 97-78 adopted CEQA findings and approved terms of a parking lease with CBBC to Lease Port property located at Seawall Lot 337, generally bounded by Terry A. Francois Blvd., Mission Rock Street, and Third Street, to provide surface parking for the ballpark, and to pay the Port fair market rent; and

WHEREAS, All of the land at Seawall Lot 337 is under the jurisdiction of the City's Port Commission; and

WHEREAS, Section 38.1 of the parking lease states that the Port Commission shall review and approve the design of the parking lot at Seawall Lot 337, and the Port Executive Director shall review and approve all Construction Documents as defined in the parking lease; and

WHEREAS, In September 1997, the Port Commission, CBBC and BayKeeper executed a Settlement Agreement and General Release that outlined a public process for the Port Commission to review and approve design plans, site remediation plans and drainage plans for the new parking lot at Seawall Lot 337 and for the Port Commission to make recommendations to other City departments with respect to any approvals to be made for the Ballpark Parking Lots located outside Port jurisdiction; and

WHEREAS, CBBC and responsible City Departments have provided BayKeeper with the analyses outlined in the terms and conditions of the Settlement Agreement; and

WHEREAS, the Port provided public notice of the Port Commission hearing, made documents available to the public and met with BayKeeper to discuss the site design plan all in accordance with the Settlement Agreement; and

WHEREAS, In July 28 1998, the Port Commission approved a sublease between CBBC and Imperial Parking, Inc. to develop and operate the parking lot at Seawall Lot 337; and

WHEREAS, Imperial Parking has prepared an Installation Plan dated June 4, 1999 for the construction of all the parking lots located south of China Basin Channel (Seawall Lot 337 is identified as Lot E) and CBBC has delivered a letter supplementing the Installation Plan to the Port Director and other City officials dated June 14, 1999 (copies of which are on file with the Port Commission Secretary for this item); and

WHEREAS, a Soil Management Plan (SMP) has been prepared for Lot E to provide methods for dust and erosion control during development of the parking lots; and

WHEREAS, results of the soil sampling on Lot E indicated that existing concentrations of potentially hazardous constituents are below levels that would pose a health risk; and

WHEREAS, a Risk Management Plan (RMP) was prepared for Lots A, B, C and D (lots outside Port jurisdiction) and provides methods and procedures to manage potential risks associated with soil and groundwater in the Mission Bay Project Area; and

WHEREAS, the RMP was approved by the Regional Water Quality Control Board (RWQCB) and the Department of Public Health has determined that compliance with the RMP will meet Article 20 Site Mitigation requirements for Lots A, B, C and D; and

WHEREAS, For purposes of compliance with the California Environmental Quality Act ("CEQA"), the parking lease is part of the ballpark project for which the City Planning Commission, by Motion No. 14398 and the Redevelopment Agency Commission, By Resolution No. 96-97, certified the Final Environmental Impact Report for the ballpark project (the "FEIR") as accurate, adequate and objective and in compliance with CEQA and for which the Port Commission, by Resolution 97-53, has adopted findings with respect to the FEIR as required by CEQA, which findings are on file with the Port Commission Secretary for File No. 97-53, which findings are incorporated herein by this reference as though such findings were fully set forth in this resolution except as modified by Attachment A to this Resolution; and

WHEREAS, the Department of City Planning ("DCP") has prepared Memorandum to City Planning File No. 96.176E dated June 16, 1999 that analyzed the potential impacts arising from the parking lot design as proposed at this time, pursuant to CEQA Guidelines Section 15764, including Addendum No. 3 to the FEIR (the "Addendum"), a copy of which is on file with the Port Commission Secretary; and

WHEREAS, based on the FEIR and the Addendum, DCP has determined that the parking lots would not result in any new significant environmental effects beyond those disclosed and analyzed in the FEIR, that no new information has become available since certification of the FEIR that would require major revisions to the FEIR or its conclusions, that there are no substantial changes with respect to the circumstances under which the interim parking lot project is to be undertaken since the certification of the FEIR that would cause new significant environmental impacts and that no further environmental analysis is required for the proposed interim parking lot project; and,

WHEREAS, DCP prepared proposed parking lot findings, as required by CEQA, for the interim parking lot project, which findings are attached to this Resolution as Attachment A (including Exhibit 1 thereto) and are incorporated herein by reference; and

WHEREAS, Attachment A "Pacific Bell Park Parking Lot Findings", included herein describes the provisions for preparing the Addendum, outlines CEQA determinations made by DCP, outlines necessary CEQA findings to be approved by the Port Commission for development of the parking lot at Seawall Lot 337 and outlines recommendations by the Port Commission to other City departments with respect to any approvals to be made for Ballpark parking lots located outside Port jurisdiction; and

WHEREAS, Such findings incorporate by reference the findings adopted by the Port Commission by Resolution No. 97-53, except as modified by the parking lot findings set forth in Attachment A, and have been made available to the public and this Port Commission for the Port Commission's review, consideration and action; and,

WHEREAS, The Port Commission has conducted a public hearing to allow public comment on the design plans, site remediation plans and drainage plans for the Ballpark Parking Lots; and

WHEREAS, all final Construction Documents are to be reviewed by the Executive Director under the parking lot lease for consistency with the Port Commission's approvals hereunder; now, therefore, be it

RESOLVED, That the Port Commission hereby confirms its approval of Resolution No. 97-53 and hereby adopts and incorporates the environmental findings under CEQA contained in Resolution No. 97-53 by reference as though such findings were fully set forth in this resolution; and, be it further

RESOLVED, That the Port Commission hereby approves Attachment A to this Resolution (including Exhibit 1 thereto) and hereby adopts and incorporates by reference the findings under CEQA contained therein, and be it further

RESOLVED, That based upon the Port Commission's review of the FEIR and the Addendum, the Port Commission further finds that (1) modification incorporated into the ballpark project and the interim parking lot design will not require important revisions to the FEIR due to the involvement of new significant environmental effects or a substantial increase in the severity of previously identified significant effects; (2) no substantial changes have occurred with respect to the circumstances under which the ballpark project and the interim parking lots are undertaken which would require major revisions to the FEIR due to the involvement of new environmental effects, or a substantial increase in the severity of effects identified in the FE1R; and (3) no new information of substantial importance to the ballpark project or the interim parking lots has become available which would indicate (a) the

ballpark project or the interim parking lots have significant effects not discussed in the FE1R, (b) significant environmental effects will be substantially more severe; (c) mitigation measures or alternatives found not feasible which would reduce one or more significant effects have become feasible; or (d) mitigation measures or alternatives which are considerably different from those in the FEIR would substantially reduce one or more significant effects on the environment; and, be it further

RESOLVED, that the design and construction features of the Ballpark parking lot at Seawall Lot 337 incorporated in the Installation Plan for the project as supplemented in the letter dated June 14, 1999, from Jack Bair to Doug Wong, are hereby approved subject to specified conditions as described in Attachment B attached hereto; and be it further

RESOLVED, that the Port Commission hereby authorizes the Executive Director to take such actions on behalf of the Port that the Executive Director, in consultation with the City Attorney, determines are in the best interests of the Port and are necessary or advisable to implement the completion of the Ballpark parking lot at Seawall Lot 337 consistent with the Port Commission's approvals hereunder (including, without limitation, entering into a permit with CBBC or such other appropriate party to enter, construct and maintain the stormwater outfall for the parking lots to be located just east of the Fourth Street Bridge on the south side of China Basin Channel, and applying for and executing all required regulatory approvals therefor) and which do not materially increase the obligations or liabilities of the Port, will not have any material adverse fiscal impact on the Port or materially diminish the rights of or benefits to the Port; and be it further

RESOLVED, that the Port Commission recommend that other City departments shall similarly condition approvals of the parking lots as suggested by the conditions incorporated herein as Attachment B; that a continuous, safe pedestrian walkway be established on both sides of 3rd Street in front of the parking lots; and that clusters of trees be planted along the northerly edge of Lot B.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of June 29, 1999.

_____

Secretary

ATTACHMENT A
PACIFIC BELL PARK PARKING LOT FINDINGS
PORT COMMISSION

I. INTRODUCTION.

The following findings are adopted by the Port Commission pursuant to the requirements of the California Environmental Quality Act, California Public Resources Sections 21000 et seq., ("CEQA"), the Guidelines for Implementation of CEQA, 15 California Code of Regulations Sections 15000 et seq., (the "CEQA Guidelines") and Chapter 31 of the San Francisco Administrative Code.

These findings contain four sections: (1) a summary of environmental documentation related to the Pacific Bell Park interim parking lots ("project"), (2) a description of the project, (3) findings concerning the disposition of mitigation measures applicable to the parking lots contained in the San Francisco Giants Ballpark at China Basin Final Environmental Impact Report ("Ballpark FEIR") and (4) findings concerning project features that address certain mitigation measures contained in the Mission Bay Final Subsequent Environmental Impact Report ("Mission Bay FSEIR"). Exhibit 1 attached to these findings, contains a Mitigation Monitoring Program for the parking lots.

II. SUMMARY OF ENVIRONMENTAL DOCUMENTATION.

For purposes of compliance with CEQA, approvals for the parking lots are part of the ballpark project for which the Planning Commission, by Motion No. 14398, and the San Francisco Redevelopment Agency, by Resolution No. 96-97, certified the FEIR in June 1997 and the Port Commission adopted findings with respect to the FEIR in July 1997 by Resolution 97-53. ("Ballpark Findings") which findings are on file with the Port Commission Secretary for File No. 97-53, and which findings are incorporated herein by reference except as modified by this Attachment A. Based on the analysis of the parking lots in the Ballpark FEIR, the Port Commission and the Board of Supervisors approved a lease between the City and the China Basin Ballpark Company LLC ("project sponsor") for the parking lot located on Port property and the Zoning Administrator issued a letter in September 1997 approving the use of all of the lots as a temporary use.

Additional approvals are now required for development of the parking lots and additional information is now available regarding the location, design and construction of the parking areas. New information concerning soil and groundwater conditions for the lots is available. Also, in September 1998, the Board of Supervisors, by Ordinance No. 335-98, approved the Mission Bay South Redevelopment Plan and pursuant to that approval and related actions both the Port Commission, by Resolution No. 98-86, and the Board of Supervisors, by Resolution No. 854-88, adopted findings ("Mission Bay Findings") with respect to the Mission Bay FSEIR. The Mission Bay FSEIR, as part of its evaluation of the Mission Bay project, considered the environmental effects of the parking lots as an interim use within the Mission Bay South Redevelopment Area (Parking Lots A, B, C and D) and the nature and development in the Mission Bay area adjacent to the lots. The Mission Bay Findings previously adopted by the Board of Supervisors are on file with the Clerk of the Board of Supervisors under File No. 98- 1427 and are incorporated herein by reference.

The Department of City Planning has prepared a Memorandum to City Planning File No. 96.176E including an Addendum No. 3, Interim Parking Lot development, to the Ballpark FEIR ("Addendum") pursuant to CEQA Guidelines Section 15164 and Section 31.35 of the San Francisco Administrative Code. The Addendum reviews the environmental effects of the current interim parking lots proposal compared to the analysis in the Ballpark FEIR. It considers information from the environmental analysis in the Mission Bay FSEIR that is relevant to the interim parking lots and additional environmental analysis conducted recently to assess the adequacy of the Ballpark FEIR in evaluating the environmental effects of the parking lots as proposed. Based on the Ballpark FEIR and the Addendum, the Department of City Planning has determined that:

1. No substantial changes have occurred in the ballpark project that would involve new significant environmental effects or a substantial increase in the severity of previously identified significant effects;

2. No substantial changes have occurred with respect to the circumstances under which the ballpark project is to be undertaken that would involve new significant environmental effects or a substantial increase in the severity of previously identified significant effects; and

3. No new information of substantial importance has arisen since certification of the Ballpark FEIR that identifies new or substantially more severe significant impacts, that identified new mitigation measures or alternatives that would substantially reduce an identified significant effect, or that shows mitigation measures or alternatives previously found infeasible would be feasible and would reduce one or more significant effects.

The Port Commission has reviewed and considered the information contained in Ballpark FEIR and the Addendum and makes the following findings.

III. PROJECT DESCRIPTION.

The project as proposed is substantially similar to the interim parking lots south of China Basin Channel described in the Ballpark FEIR but contains more and slightly different details about the design, construction and operation of the lots compared to the description in the Ballpark FEIR. The Ballpark FEIR anticipated parking for 5,000 vehicles on 35 acres of parking. The shape of the area covered by the Lots B and C is slightly different from that shown in the Ballpark FEIR, but the area (37 acres), number of parking spaces (approximately 5,000) and general configuration in the south of China Basin Channel area (Addendum at page 2) are similar to that shown in the Ballpark FEIR (Figure II.D.5, page II.20). The parking lots would consist of five lots, Lots A, B, C, D and E. The project sponsor would develop the lots as interim uses, with leases ranging from 2 to 10 years and would use the lots for patrons visiting the ballpark.

The current proposal contains a detailed description of the design of the interim parking lots, and construction and operational details, including vehicle access routes to the lots, lot operations, surface covering, lighting, landscaping, stormwater management, pedestrian flow, management of soil during construction and various other details. At the time of the Ballpark FEIR, the Project Sponsor did not propose a specific design for the stormwater drainage system but a mitigation measure required the capture of stormwater so it would

proposed in the Ballpark FEIR and recommended by the Port Commission for adoption which are enforceable by agencies other than City agencies. None of the mitigation measures in the Ballpark FEIR were rejected completely.

All of the mitigation measures discussed in the Ballpark FEIR were coded and attached to the Ballpark Findings as Exhibit 2. In the text of the Ballpark Findings, mitigation measures adopted by the Port Commission were referenced by the number and topic in Exhibit 2 to the Ballpark Findings. In addition, Appendix A to Exhibit 2 of the Ballpark Findings contained various improvement measures, proposed in the Ballpark FEIR, which were not mitigation measures but which could be considered by decision makers in connection with the ballpark approval actions. Improvement measures relevant to the interim parking lots have been incorporated into the previously approved Port Lease. Mitigation measures were organized in the Ballpark Findings by subject matter in the same order that those subjects appeared in the Ballpark FEIR.

This section identifies the mitigation measures set forth in the Ballpark FEIR that are applicable to the parking lots. It follows the same format as the format used in the Ballpark Findings. Exhibit 1 to these interim parking lots findings contains a mitigation monitoring and reporting program for the mitigation measures applicable to the parking lots. The text of all of the mitigation measures found in the Ballpark FEIR is found in Exhibit 2 to the Ballpark Findings.

At the time of the Ballpark Findings, the Port had recently adopted a Waterfront Land Use plan. With the approval of the Waterfront Land Use plan, the Port Commission adopted a number of mitigation measures to be applied to Port projects, as applicable, to avoid significant environmental effects. These mitigation measures were reviewed and, where applicable, were incorporated in the Disposition and Development Agreement and Ground Lease for the ballpark, or will be addressed in the Port's building permit process, as appropriate.

The approval before the Port Commission is approval of the interim parking lot design. The Port Commission previously approved the Port Lease which contains a list of mitigation measures as well as other improvement measures imposed by the Port under the Port Lease.

Some of the mitigation measures, in particular the transportation mitigation measures B1, B2 and B3, applicable to the interim parking lots, are underway and on-going. The Port Commission determined at the time of the adoption of the Ballpark Findings, that the mitigation measures appeared to be feasible based on preliminary cost estimates made by the Mayor's Office at that time. Based on the experience of the Port in implementing some of these measures for prior ballpark actions and due to the indicated willingness of the project sponsor to implement these measures, the Port Commission believes that these measures it proposes for adoption or adoption as modified, as part of the interim parking lots project, can and should be carried out by the named agency at the appropriate time.

- Mitigation Measures Adopted By the Port Commission. The following measures in the Ballpark FEIR found by the Port Commission to mitigate, reduce or avoid significant environmental effects are hereby adopted, and have been incorporated into the project:

not discharge untreated to the Channel or Bay, with the stormwater directed to the City's combined sewer system and the installation of oil/water separators at stormwater inlets on the lots.

The proposed stormwater system would accomplish the objective of the mitigation in the Ballpark FEIR by installing oil/water separator units at stormwater inlets and capturing stormwater and treating it prior to discharge. The method of handling the stormwater differs from that envisioned in the Ballpark FEIR but achieves the same result. Two options are proposed. Both provide for the stormwater to go to the City's combined sewer system under normal circumstances. In large storms, excess flows would go either to a liquid/solid separator treatment unit prior to discharge to the Channel or Bay or go temporarily to a detention basin on site before going either to the combined sewer system or to a liquid/solid separator treatment unit for discharge to the Channel.

Approvals concerning the parking lots include the following:

1. In September 1997, the City, acting through the Port Commission, the project sponsor and San Francisco BayKeeper executed a Settlement Agreement that outlined a public process for the Port Commission to review design plans, any site remediation plan and drainage plans for the interim parking lots and to approve such plans for Parking Lot E, located on Port property. The Port also will approve building permits for Lot E and other project-related work on Port property.

2. The project sponsor wishes to enter into a lease with the City for a portion of the parking lot area located on property owned by the City ("City Lease"). The City Lease requires the approval of the Board of Supervisors.

3. The Zoning Administrator will review certain project design features in accordance with his September 4, 1997 letter approving the lots as a temporary use. The Mission Bay South Redevelopment Plan, which applies to four of the five lots, permits the parking lots as an interim use as a matter of right provided the use is consistent with the Zoning Administrator's letter approval.

4. The San Francisco Redevelopment Agency ("Agency") and the Department of Building Inspection ("DBI") will approve site permits for Lots A, B, C and D.

5. The Art Commission will approve any structures on City property.

6. The Bay Conservation and Development Commission and the U.S. Army Corps of engineers will permit the stormwater outfall and outfall construction.

IV. MITIGATION MEASURES.

The Ballpark Findings addressed each of the mitigation measures set forth in the FEIR and contained four categories of findings concerning the mitigation measures: (1) a recitation of mitigation measures adopted by the Port Commission; (2) a recitation of mitigation measures adopted by the Port Commission as modified; (3) a recitation of mitigation measures proposed for adoption by other City agencies; and (4) a recitation of mitigation measures

A. Visual Quality and Lighting.

A1. Parking Area Lighting.

B. Transportation and Circulation.

B1. Ballpark Transportation Coordination Committee (BTCC). Port staff may be called on to participate in the Ballpark Transportation Coordination Committee on an on-going basis, and/or participate in decisions on certain issues. In addition, to the extent that the project sponsor will be called upon to participate, the requirement is set forth in the Port Lease.

B2. Transportation Management Plan. Port staff may be called on to participate in development of the Transportation management Plan, and/or to participate in decisions on certain issues. In addition, to the extent that the project sponsor will be called upon to participate, the requirement is set forth in the Port Lease.

B3, Traffic Routing Plan;. B7, Transit Incentive Program, B9, Public Information/Outreach Programs. Portions of these mitigation measures are applicable to the parking lots. The applicable portions are as follows:

B3. Traffic Routing Plan. Adopt and implement as part of the TMP a Traffic Routing Plan, comparable to that identified and analyzed in the Ballpark FEIR. The general goals of the Traffic Routing Plan shall be as follows:

1) Direct non-project traffic to alternate routes to allow project traffic and other local traffic to use the streets leading to the ballpark and ballpark parking.
2) Discourage traffic intrusion into nearby residential neighborhood areas to the maximum extent feasible.
3) Maintain a reasonable level of access to all properties in the project area.
4) Provide motorists with traffic detour and alternate route information prior to arrival in the ballpark vicinity.
5) Disperse ballpark traffic quickly after games to a variety of traffic routes.
6) Flexibly accommodate traffic conditions as they change due to different types and sizes of events at different times of year, different days of the week, and different times of day.

Specific traffic routing measures shall include the following:

• Post parking attendants on Third Street north of Fourth Street and on Fourth Street near Third, before a game, to form an entrance to the designated ballpark parking area.

• Place a temporary "Local Traffic Only" sign on Sixth Street at the Sixteenth Street intersection to discourage attempts to use of Sixth as a bypass around the Third Street detour.

• Reserve a lane for transit vehicles only on Third Street, and use traffic cones to keep pedestrians out of the transit lane.

Port staff may be called on to participate in the development, refinement and implementation of the Traffic Routing Plan on an on-going basis, and/or participate in decisions on certain issues. In addition, to the extent that the project sponsor will be called upon to participate, the requirement is set forth in the Port Lease.

B7. Transit Incentive Program. Ballpark parking should be priced as a relatively high level, to encourage transit use.

B9. Public Information/Outreach Programs. Develop public information/outreach programs that shall include the following types of actions:

• Work with transit and private parking operators and game ticket distributors to offer transit and parking passes when fans purchase tickets.

C. Noise. No applicable measures.

D. Air Quality.

D1. Construction PM10.

E. Seismicity. No applicable measures.

F. Water Quality and Aquatic Ecology.

F7. Litter Control. The Port Commission adopts this measure to the extent that the project sponsor will be required to implement this mitigation measure for all areas except Lefty O'Doul and Peter Maloney Bridges. The provision of this measure which apply to parking areas south of the Channel are also within the jurisdiction of the Zoning Administrator. The Port, as well as DPW and the Zoning Administrator, will share responsibility for this measure.

F8. Capture of Storm Water on South-of-Channel Parking Areas.

G. Cultural Resources.

G1. Subsurface Resources

• Mitigation Measures Adopted By the Port Commission as Modified. The following measures in the Ballpark FEIR found by the Port Commission to mitigate, reduce or avoid significant environmental effects are hereby adopted as modified, and have been incorporated into the Project.

F. Water Quality and Aquatic Ecology.

F2. Monitoring of Pacific Herring spawning. This measure provides that if tugboats are used during the peak spawning season from December 1 to March 1, the project sponsor must hire a professional fisheries

biologist to monitor the project site daily at any time when tugboats are in use. In addition, if the biologist detects herring spawning in the vicinity, tugboat activities must be suspend for a minimum of 14 days, or until the on-site biologist determines that the hatch has been completed and larval herring have left the site. This mitigation measure is modified to clarify that it also shall apply to all outfall construction activities.

F3. Silt Curtain for Sub-marine Pile-driving and Bulkhead Repair. A portion of this measure requires the use of an underwater silt curtain to surround areas of the bulkhead that are scheduled for repair during the peak herring spawning season. The measure is modified to clarify that it also shall apply to outfall construction activities.

- Mitigation Measures Within the Jurisdiction of Another City Agency.

The Port Commission finds that the following mitigation measures as they appear in the Ballpark FEIR fall within the jurisdiction of other City Agencies. These measures can and should be adopted by other City Agencies. The Secretary to the Port Commission shall send copies of these measures to the appropriate City agencies.

A. Visual Quality and Lighting.

A1. Parking Area Lighting. This measure is within the jurisdiction of the Zoning Administrator. In the Mission Bay South Redevelopment Area, the San Francisco Redevelopment Agency ("Agency") and the Department of Building Inspection ("DBI") also would implement this measure. The Port Commission recommends that DBI, the Zoning Administrator and the Agency implement this measure as part of the site permit review process.

B. Transportation and Circulation.

B1. Ballpark Transportation Coordination Committee. This measure also is within the jurisdiction of the Department of Parking and Traffic ("DPT"), the Public Transportation Commission ("PTC"), the Police Department, the Department of City Planning ("DCP") and the Agency. The Port Commission recommends that these departments participate in this Committee. Also, to the extent that the Project Sponsor will be called upon to participate, the requirements can be set forth in the City Lease. The Port Commission recommends to the Department of Real Estate ("Real Estate") and the Board of Supervisors that the requirements of this measure be set forth in the City Lease.

B2. Transportation Management Plan. This measure also is within the jurisdiction of DPT, PTC, the Department of Public Works ("DPW") and the Agency. Also, to the extent that the Project Sponsor will be called upon to implement this measure, the requirements can be set forth in the City Lease. The Port Commission recommends to Real Estate and the Board of Supervisors that the requirements of this measure be set forth in the City Lease.

B3. Traffic Routing Plan. The applicable portion of this measure also is within the jurisdiction of DPT. The Port Commission recommends that this measure be implemented by DPT. Also, to the extent that the project sponsor will be called upon to implement this measure, the requirements can be set forth in the City Lease. The Port Commission recommends to Real Estate

and the Board of Supervisors that the requirements of this measure be set forth in the City Lease.

B7. Transit Incentive Program. The cited provisions can be set forth in the City Lease. The Port Commission recommends to Real Estate and the Board of Supervisors that the cited provisions be set fort in the City Lease.

B9. Public Information/Outreach Programs. The cited provisions can be set forth in the City Lease. The Port Commission recommends to Real Estate and the Board of Supervisors that the cited provisions be set forth in the City Lease.

D. Air Quality.

D1. Construction PM10. This measure also is within the jurisdiction of the Department of Public Works ("DPW"), the Department of Building Inspection ("DBI") and, in the Mission Bay South Redevelopment Area, the Agency.. The Port Commission recommends that this measure be implemented by DPW, DBI and the Agency, as part of the site permit review process.

F. Water Quality and Aquatic Ecology.

F7. Litter Control. Portions of this measure which apply to parking areas south of the Channel also are within the jurisdiction of the Zoning Administrator. In addition, DPW and the Port will share responsibility for implementation of certain portions of this measure, which include provision of trash receptacles on lefty O'Doul and Peter Maloney Bridges. The Port Commission recommends that the Zoning Administrator and DPW implement this measure. Also, to the extent that the Project Sponsor will be called upon to implement this measure, the requirements can be set forth in the City Lease. The Port Commission recommends to Real Estate and the Board of Supervisors that the requirements of this measure be set forth in the City Lease.

F8. Capture of Storm Water on South-of-Channel Parking Areas. This measure also is within the jurisdiction of the Zoning Administrator, Agency, DBI and DPW. The Port Commission recommends that the Zoning Administrator, Agency, DBI and DPW implement this measure as part of the site permit review process.

G. Cultural Resources.

G1. Subsurface Resources. This measures also is within the jurisdiction of DCP. In the Mission Bay South Redevelopment Area, the Agency also would implement this measure as part of its site permit review process. The Port recommends that DCP and the Agency implement this measure.

- Mitigation Measures Within the Jurisdiction of a Non-City Agency.

The Port Commission finds that the following mitigation measure in the Ballpark FEIR that is applicable to the parking lots falls within the jurisdiction of other than City agencies.

B. Transportation and Circulation.

B1. Ballpark Transportation Coordination Committee. This measure is primarily within the jurisdiction of various City agencies and the project sponsor, but also contemplates participation by CalTrain, BART and the ferry service operators. The Port Commission recommends that CalTrain, BART and the ferry service operators, as applicable, participate in the BTCC.

- Adoption of a Mitigation Monitoring Program. The Port Commission hereby adopts a Mitigation Monitoring Program ("Program") for the parking lots project as required by Section 21081.6 of the Public Resources Code. The Program is attached hereto as Exhibit 1 and incorporated herein by reference. The purpose of this Program is to determine the stage at which each of the adopted mitigation measures must be imposed in order to ensure that the measure is carried out by the responsible official or entity, or, if the obligation lies with the project sponsor, that the City enforces the obligation.

VI. Mission Bay Project.

The Addendum identified certain mitigation measures contained in the Mission Bay FSEIR that are applicable to the ballpark parking lots located in the Mission Bay Redevelopment Area (Parking Lots A, B, C and D). The Port Commission has reviewed the information in the Addendum and determined that all mitigation measures in the Mission Bay FSEIR that are potentially applicable to the interim parking lots fit into one of the following categories: (1) the Ballpark FEIR contains a similar mitigation measure, (2) the interim parking lot project as designed avoids the impact that gave rise to the mitigation measure in the Mission Bay FSEIR, (3) the environmental conditions concerning the interim parking lots are different from those identified in the Mission Bay FSEIR which gave rise to the mitigation measure or (4) the interim parking lot project features incorporate the provisions of the mitigation measure. The applicable Mission Bay mitigation measures are discussed below under the appropriate headings found in the Ballpark FEIR and Addendum.

A. Visual Quality and Lighting.

Parking Area Lighting. Mission Bay mitigation measure D1 is identical to Ballpark measure A1. Implementation of A1 would reduce any lighting and glare impacts addressed by D1 to a level of insignificance.

B. Transportation and Circulation.

Transportation Coordination Committee. Mission Bay mitigation measure E46b is similar to Ballpark measure B1. Implementation of B1 would result in a similar contribution to a reduction of significant impacts.

C. Air Quality.

Construction PM10. Mission Bay mitigation measure F2 is substantially similar to Ballpark measure D1, but contains some optional and enhanced control measures identified by the Bay Area Air Quality Management District to reduce the risk of exposure to contaminated soil in dust. The optional and enhanced measures as well as the provisions of measure D1, are

incorporated into Section 4.3.1.1 of the Risk Management Plan which the Regional Water Quality Control Board ("RWQCB") approved in May 1999 for the Mission Bay area. The project sponsor will implement the RMP in the parking lots located in the Mission Bay South Redevelopment Area and will implement a dust plan for Lot E that is consistent with the provisions of Section 4.3.1.1 of the RMP. Implementation of Ballpark measure D1, the RMP and the dust plan for Lot E would result in a similar contribution to the reduction in significant impacts as identified for Mission Bay measure F2.

D. Water Quality and Aquatic Ecology.

Sewer Improvement Design. Mission Bay mitigation measure K3 is designed to mitigate impacts from a projected increase in combined sewer overflows to China Basin Channel by requiring a collection system that results in no increase in overflows. The two options for stormwater management proposed by the project sponsor would not increase combined sewer overflows. Therefore, the impact that this measure is designed to mitigate is avoided by the design of the project and no new or increased significant environmental impact will occur.

Alternative Technologies to Improve Stormwater Discharge Quality. Mission Bay mitigation measure K4, provides for implementation of alternative technologies to treat stormwater to a level equivalent to, or better than City-treated sewer overflows as a way of mitigating impacts from stormwater that discharges directly to China Basin Channel. The two options for stormwater management proposed by the project sponsor provide for treatment through the City's system until it reaches overflow capacity, and then provides for alternative treatment through a liquid/solid separator treatment unit prior to discharge to the Channel. Therefore, the design of the stormwater management system incorporates the provisions of this measure and would reduce any impact associated with Mission Bay measure K4 to a level of insignificance.

Stormwater Runoff Control and Drainage. Mission Bay mitigation measure M5 is designed to mitigate impacts from untreated stormwater flowing directly to China Basin Channel by providing for stormwater flows to drain to the combined sewer system until a separate acceptable stormwater diversion system is in place. This measure is substantially similar to Ballpark measure F8 and the stormwater management systems proposed by the project sponsor would reduce any impacts associated with this measure to a level of insignificance.

Sewer and Wastewater Treatment. Mission Bay mitigation measure M4 requires the construction of a fence around any interim surface detention basins used for stormwater management, to mitigate public safety impacts that the basins might pose. One of the drainage plans proposed by the project sponsor calls for construction of surface detention basins or swales. The project sponsor would construct fences around the swales if this drainage plan is implemented. Therefore, the design of the stormwater management system for the parking lots would reduce any impact associated with Mission Bay measure M4 to a level of insignificance.

Stormwater Pollution Prevention Program (SWPPP). Mission Bay mitigation measure K1 provides for the development of a SWPPP that contains certain specified best management practices ("BMP"s). The Ballpark FEIR identified the preparation of a SWPPP as a mandatory program and not as

a mitigation measure. The provisions of K1 are incorporated in Section 4.3.3 of the RMP which the project sponsor will implement in the Mission Bay area. The project sponsor has agreed to incorporate the BMPs specified in K1 into the SWPPP that it will prepare for Lot E. Implementation of the SWPPP would reduce any impacts associated with K1 to a level of insignificance.

Central/Bay Basin Stormwater Management Program. Mission Bay mitigation measure K5 provides for a stormwater management program that would apply to site operations in Mission Bay when stormwater is discharged directly to near-shore waters. The two drainage plans proposed include direct discharges to China Basin Channel. The project sponsor has agreed to comply with the provisions of K5 by developing a stormwater management program for the parking lots that would meet the requirements of K5. Implementation of the stormwater management program for the parking lots would similarly reduce any impacts associated with Mission Bay measure K5 to a level of insignificance.

Wetland Habitat Avoidance. Mission Bay mitigation measure L2 provides for the design of storm drain outfalls to minimize scouring and erosion of mudflats. The project sponsor has agreed to comply with the provisions of L2 in the design of the outfall for the stormwater system. The design of the stormwater system proposed by the project sponsor would similarly reduce any impacts associated with Mission Bay measure L2 to a level of insignificance.

Construction During Pacific Herring Spawning Season. Mission Bay measure L3 prohibits construction activities during the spawning season of the Pacific herring that have the potential to cause turbidity in the Channel or Bay waters. The Ballpark FEIR contains a similar mitigation measure, F2, which as modified herein, requires a professional fisheries biologist to monitor outfall construction activities in the Channel and suspend work if herring spawning is detected within 200 meters of the work. Implementation of Ballpark measure F2 would similarly reduce any impacts associated with Mission Bay measure L3 to a level of insignificance.

Silt Curtain. Mission Bay measure L5 is similar to Ballpark measure F3, as modified herein. Implementation of Ballpark measure F3 would similarly reduce any impacts associated with Mission Bay measure L5 to a level of insignificance.

G. Cultural Resources

Subsurface Resources. Mission Bay mitigation measure D3 is comparable to Ballpark measure G1 and would reduce archeological impacts addressed by Mission Bay measure D3 to a level of insignificance.

H. Contamination and Environmental Risk

Risk Management Plan (RMP). Mission Bay mitigation measure J1 is designed to mitigate the impacts associated with contaminated soils or groundwater that might occur before, during and after development. It calls for development of an RMP for all property in the Mission Bay area, approval of the RMP by the Regional Water Quality Control Board, and implementation of the RMP before, during and after development. The RWQCB approved the RMP in May 1999. The Ballpark FEIR did not contain a comparable mitigation measure but determined that construction of the parking lots would be subject to the

requirements of the City's ordinance, Analyzing Soil for Hazardous Wastes, which is designed to address impacts associated with construction activities in areas of contaminated soils. Based on site specific sampling conducted on the Port property where Lot E will be located, the project sponsor has prepared a Soil Management Plan (SMP) for Lot E, which the Department of Public Health has accepted as satisfying the requirements of Article 20. The Department of City Planning has concluded that compliance with the City's Ordinance will be adequate to address the contamination found in soil at Lot E and further mitigation is not required.

The project sponsor has agreed to comply with the RMP for Lots A, B, C and D which are located in the Mission Bay South Redevelopment Area. Compliance with the RMP and SMP would reduce any impacts associated with measure J1 to a level of insignificance.

EXHIBIT 1

PACIFIC BELL PARK INTERIM PARKING LOTS – MITIGATION MONITORING AND REPORTING PROGRAM

Introduction

Assembly Bill (AB) 3180 was enacted by the State Legislature to provide a mechanism to ensure that mitigation measures adopted through the California Environmental Quality Act (CEQA) process are implemented in a timely manner and in accordance with the terms of project approval. Under AB 3180, local agencies are required to adopt a monitoring or reporting program "designed to ensure compliance during project implementation."

The Pacific Bell Park Mitigation Monitoring Program ("Program"), pursuant to AB 3180 and CEQA Section 21081.6, provides the basic framework through which adopted mitigation measures will be monitored to ensure implementation. Responsibility for implementation of various measures falls on numerous City agencies, including: the Port of San Francisco (Port), San Francisco Redevelopment Agency (Agency), Department of Building Inspection (DBI), Department of City Planning (DCP), Department of Public Works (DPW), Department of Parking and Traffic (DPT), and the Public Transportation Commission (PTC), other agencies including CalTrain and the Bay Area Rapid Transit (BART), as well as the project sponsor (Giants).

The following table identifies, for each mitigation measure included in the Final Environmental Impact Report (FEIR) which is applicable to the interim parking lots, the measure, the responsible agency, the time frame for implementation, any performance criteria specific to that measure or measures, and any other specific requirements. The full text of each measure as it appears in the FEIR is not provided in the Program, but rather is included in Exhibit 2 to the Ballpark Findings.

The implementation of mitigation measures, as well as the mitigation monitoring action and schedule, are tied to the Pacific Bell Park interim parking lot project ("project") development and approval process.

While this Program generally outlines the actions, responsibilities, and schedule for mitigation monitoring, it does not attempt to specify the detailed procedures to be used to undertake or verify implementation (e.g., interactions between the Agency and the City, use of private consultants, approval of plans, site inspections, etc.). Also, decision-makers may adopt other conditions of approval, independent of this mitigation monitoring program.

EXHIBIT 1 – PACIFIC BELL PARK INTERIM PARKING LOTS MITIGATION MONITORING AND REPORTING PROGRAM

MEASURE/MITIGATION	MITIGATION RESPONSIBILITY	MITIGATION SCHEDULE	MONITORING ACTIONS / SCHEDULE	MONITORING RESPONSIBILITY
A. VISUAL QUALITY and LIGHTING				
A1. PARKING AREA LIGHTING				
Design parking area lighting to minimize off-site glare. The design could include 45-degree cutoff angles on light fixtures to focus light within the site, and specifications that spill lighting from parking areas would be 0.25 foot-candle or less at 5 ft. from the property line of the parking areas.	Project sponsor	• Submit designs and specification to Zoning Administrator prior to erection of lighting. • Conduct initial tests to verify compliance with specifications. • Provide test results to the Zoning Administrator.	• Review designs and specifications prior to erection of lighting. • Review test results provided by project sponsor.	Zoning Administrator, Port, Agency, DBI

MEASURE/MITIGATION	MITIGATION RESPONSIBILITY	MITIGATION SCHEDULE	MONITORING ACTIONS / SCHEDULE	MONITORING RESPONSIBILITY
B. TRANSPORTATION and CIRCULATION				
B1. BALLPARK TRANSPORATION COORDINATION COMMITTEE (BTCC)				
Form a Ballpark Transportation Coordinating Committee (BTCC) to implement and monitor the operation of the transportation mitigation program. This committee should include, for example, a transportation coordinator from the Giants staff, and representatives from the Department of Parking and Traffic (DPT), the Department of City Planning, the Police Department, MUNI, CalTrain, BART, and the ferry service operators. The committee also could include representatives of neighborhood or special interest groups, and property owners. Take care to avoid creating such a large committee that appropriate actions cannot be taken quickly.	Project sponsor, DCP, Port, Agency, DPT, Police Department, PTC, CalTrain, BART, ferry service operators.	Form BTCC as soon as feasible following obtaining project approvals.	• Oversee establishment of Committee and membership. • Ensure that operating procedures and regular meeting times are established.	Port, Agency, Real Estate
B2. TRANSPORTATION MANAGEMENT PLAN (TMP)				
The primary initial responsibility of the BTCC shall be to refine and adopt a Transportation Management Plan (TMP), based on a draft submitted by the project sponsor. The BTCC shall also have the responsibility of implementing the TMP. The ultimate objective of the TMP would be the efficient movement of people to and from, and within the vicinity of, the ballpark. A main feature of the TMP would be a Traffic Routing Plan, detailed in Measure B3. Additionally, the TMP would include measures to address transportation concerns including transportation demand management, transit use and improvements, pedestrians movement, and mitigation of impacts on area and businesses.	BTCC	• Complete and adopt prior to the first ballpark event. • Revise as necessary to reflect actual experience.	• Confirm adoption of plan prior to the first ballpark event. • Monitor ongoing refinements through participation in the BTCC.	Port, DPT, Real Estate

MEASURE/MITIGATION	MITIGATION RESPONSIBILITY	MITIGATION SCHEDULE	MONITORING ACTIONS / SCHEDULE	MONITORING RESPONSIBILITY
TRAFFIC MITIGATION MEASURES				
B3. TRAFFIC ROUTING PLAN (TRP)				
Adopt and implement a Traffic Routing Plan (TRP), comparable to that identified and analyzed in the EIR. Portions of the Traffic Routing Plan applicable to the parking lots are: The general goals of the Traffic Routing Plan shall be as follows: 1) Direct non-project traffic to alternate routes to allow project traffic and other local traffic to use the streets leading to the ballpark and ballpark parking. 2) Discourage traffic intrusion into nearby residential neighborhood areas to the maximum extent feasible. 3) Maintain a reasonable level of access to all properties in the project area 4) Provide motorists with traffic detour and alternate route information prior to arrival in the ballpark vicinity. 5) Disperse ballpark traffic quickly after games to a variety of traffic routes. 6) Flexibly accommodate traffic conditions as they change due to different types and sizes of events at different times of year, different days of the week, and different times of day.	BTCC	The TRP shall be in place and the specific measures described below shall be implemented prior to the first ballpark event.	• Confirm that all required actions described below, including construction of improvements and establishment of operating procedures, have occurred prior to the first ballpark event. • Ongoing monitoring will be conducted by the Port through the BTCC.	Port, DPT, BTCC, Real Estate

MEASURE/MITIGATION	MITIGATION RESPONSIBILITY	MITIGATION SCHEDULE	MONITORING ACTIONS / SCHEDULE	MONITORING RESPONSIBILITY
Specific traffic routing measures shall include the following:				
• Post parking attendants on Third Street north of Fourth Street and on Fourth Street near Third, before a game, to form an entrance to the designated ballpark parking area.	DPT, project sponsor.			
• Place a temporary "Local Traffic Only" sign on Sixth Street at the Sixteenth Street intersection to discourage attempts to use Sixth Street as a bypass around the Third Street detour.	DPT, DPW			
• Reserve a lane for transit vehicles only on Third Street, and use traffic cones to keep pedestrians out of the transit lane.	DPT			
B7. TRANSIT INCENTIVE PROGRAM				
Ballpark parking should be priced at a relatively high level, to encourage transit use.	Project sponsor	• Establish prior to the first ballpark event. • Ongoing modification as appropriate.	• Participate in the BTCC. • Review and comment on program and any modifications.	Port, BTCC, Real Estate
B9. PUBLIC INFORMATION/OUTREACH PROGRAMS				
Develop public information/outreach programs that shall include the following types of actions:	Project sponsor, BTCC.	• Establish prior to the first ballpark event.	• Participate in the BTCC.	Port, BTCC, Real Estate

MEASURE/MITIGATION	MITIGATION RESPONSIBILITY	MITIGATION SCHEDULE	MONITORING ACTIONS / SCHEDULE	MONITORING RESPONSIBILITY
• Work with transit and private parking operators and game ticket distributors to offer transit and parking passes when fans purchase tickets.		• Ongoing modification of programs as appropriate.	• Review and comment on program. • Request status report regarding weekday afternoon start time decision.	
D. AIR QUALITY				
D1. CONSTRUCTION PM_{10}.				
Require the contractor to implement the following, developed from the Bay Area Air Quality Management District's (BAAQMD) master list of feasible PM_{10} control measures, at all construction sites of the proposed project:	Project sponsor	During Construction.	• Confirm inclusion in construction contracts. • Monitor ongoing compliance through site visits as appropriate.	Port, DPW, DBI, Agency
• Water all active construction areas at least twice a day, or as needed to prevent visible dust fumes from blowing off-site				
• Use tarpaulins or other effective covers for on-site storage piles and for haul trucks that travel on streets.				
• Pave, apply water three times daily, or apply (non-toxic) soil stabilizers on all *unpaved* parking areas and staging areas at construction sites.				
• Sweep all *paved* access routes, parking areas, and staging areas daily (preferable with water sweepers).				
• Sweep street daily (preferably with water sweepers) if visible amounts of soil material are carried onto public streets.				

MEASURE/MITIGATION	MITIGATION RESPONSIBILITY	MITIGATION SCHEDULE	MONITORING ACTIONS / SCHEDULE	MONITORING RESPONSIBILITY
• The BAAQMD recommends suspending excavation and grading on large construction sites when high winds cause visible blowing dust. This measure would be included by the project sponsor as a condition of the construction contract.				
• Obtain reclaimed water from the Clean Water Program for dust control purposes during construction.				
F. WATER QUALITY and AQUATIC ECOLOGY				
F2. MONITORING OF PACIFIC HERRING SPAWNING				
Specify in construction contracts that if tugboat or outfall construction were scheduled during the peak spawning season of December 1 to March 1 the following conditions must be fulfilled:	Project sponsor	During waterside construction.	Confirm inclusion in construction contracts.	Port, Real Estate
• A professional fisheries biologist, or other individual sufficiently competent to identify herring spawning activity, would monitor the project site daily at any time when tugboats are in use or during outfall construction activities.				
• In the event that the on-site biologist or qualified staff person detects herring spawning at, or within 200 meters of, tugboat berthing areas or the proposed outfall location, the biologist or qualified staff person would immediately notify the Environmental Review Officer and the ballpark construction manager who would cease tugboat use or outfall construction activities for a minimum of 14 days, or until the on-site biologist determines that the hatch has been completed and larval herring have left the site. Tugboat operations or outfall construction activities may be resumed thereafter.				

MEASURE/MITIGATION	MITIGATION RESPONSIBILITY	MITIGATION SCHEDULE	MONITORING ACTIONS / SCHEDULE	MONITORING RESPONSIBILITY
F3. SILT CURTAIN FOR SUB-MARINE PILE-DRIVING AND BULKHEAD REPAIR				
Ensure that an underwater silt curtain be used to surround areas of the bulkhead that are scheduled for repair or the outfall that is scheduled for construction during the peak spawning season.	Project sponsor	During waterside construction.	Confirm inclusion in construction contracts.	Port, Real Estate
F7. LITTER CONTROL				
Prevent litter generated by waterfront areas associated with the ballpark from entering China Basin Channel by the placement of trash receptacles, regular collection of trash, public notices, and regular skimming of the surface of China Basin Channel. Trash receptacles shall be conveniently placed and widely available for public use along the Port Walk, the Lefty O'Doul and Peter Maloney bridges, and in all of the South of Channel parking lots proposed to be dedicated for ballpark use. Receptacles shall be emptied regularly and trash picked up regularly so overflows of garbage in those areas are minimized. Trash collection shall occur before and after games, and as needed during non-game times. Specific maintenance staff shall be assigned to perform trash collection along the Port Walk. Signs or warnings shall be posted along the bridges and Port Walk to encourage users of the ballpark to dispose of litter properly. Signs or warnings shall also be posted at the South of Channel parking lots. Provide maintenance staff and resources to skim the Channel edges east of the Lefty O'Doul Bridge and the Bay shoreline adjacent to the south of Channel parking lots at frequent and regular intervals. Because floating litter tends to drift, skimming would be needed along the entire length of the Channel, at the mouth of the Channel, and in the areas along the Bay shoreline adjacent to the south of Channel parking areas.	Project sponsor, DPW	Prior to first ballpark event.	• Confirm that improvements and plan are in place. • Conduct periodic site visits.	Port, Real Estate

MEASURE/MITIGATION	MITIGATION RESPONSIBILITY	MITIGATION SCHEDULE	MONITORING ACTIONS / SCHEDULE	MONITORING RESPONSIBILITY
F8. CAPTURE OF STOM WATER ON SOUTH OF CHANNEL PARKING AREAS				
Design and construct drainage improvements for the south of Channel parking areas such that no storm water runoff would directly enter China Basin Channel or the Bay without treatment. Drainage improvements would convey collected rainwater to City sewers for treatment at the Southeast Water Pollution Control Plant. If storm water inlets are provided at the parking areas, install oil/water separators at each inlet.	Project sponsor	Prior to use of parking.	Submit design to Zoning Administrator and DPW prior to construction of parking areas.	Zoning Administrator, Port, Agency, DBI, DPW
G. CULTURAL RESOURCES				
G1. SUBSURFACE RESOURCES				
Given the location and depth of excavation proposed, and the likelihood that archaeological resources would be encountered on the project site, the sponsor has agreed to retain the services of an archaeologist. The archaeologist would carry out a pre-excavation testing program to better determine the probability of finding cultural and historical remains. The testing program would use a series of mechanical, exploratory borings or trenches and/or other testing methods determined by the archaeologist to be appropriate. If, after testing, the archaeologist determines that no further investigations or precautions are necessary to safeguard potentially significant archaeological resources, the archaeologist would submit a written report to the Environmental Review Officer (ERO), with a copy to the project sponsor. If the archaeologist determines that further investigations or precautions are necessary, he/she shall	Project sponsor	Prior to, during and after construction		DCP, Agency

consult with the ERO and they shall jointly determine what additional procedures are necessary to minimize potential effects on archaeological resources.

These additional mitigation measures would be implemented by the project sponsor and might include a program of on-site monitoring of all site excavation, during which the archaeologist would record observations in a permanent log. The monitoring program, whether or not there are finds of significance, would result in a written report to be submitted first and directly to the ERO, with a copy to the project sponsor. During the monitoring program, the project sponsor would designate one individual on site as his/her representative. This representative would have the authority to suspend work at the site to give the archaeologist time to investigate and evaluate archaeological resources should they be encountered.

Should evidence of cultural resources of potential significance be found during the monitoring program, the archaeologist would immediately notify the Environmental Review Officer (ERO), and the project sponsor would halt any activities which the archaeologist and the ERO jointly determine could damage such cultural resources.

Ground-disturbing activities which might damage cultural resources would be suspended for a total maximum of four weeks over the course of construction.

After notifying the ERO, the archaeologist would prepare a written report to be submitted first and directly to the ERO, with a copy to the project sponsor, which would contain an assessment of the potential significance of the find and recommendations for what measure should be implemented to minimize potential effects on archaeological resources. Based on this report, the ERO would recommend specific

MEASURE/MITIGATION	MITIGATION RESPONSIBILITY	MITIGATION SCHEDULE	MONITORING ACTIONS / SCHEDULE	MONITORING RESPONSIBILITY

additional mitigation measures to be implemented by the project sponsor. These additional mitigation measures might include a site security program, additional on-site investigations by the archaeologist, and/or documentation, preservation, and recovery of cultural material.

Finally, the archaeologist would prepare a report documenting the cultural resources that were discovered, an evaluation as to their significance, and a description as to how any archaeological testing, exploration and/or recovery program was conducted.

Copies of all draft reports prepared according to this mitigation measure would be sent first and directly to the ERO for review. Following approval by the ERO, copies of the final report(s) would be sent by the archaeologist directly to the President of the Landmarks Preservation Advisory Board and the California Archaeological Site Survey Northwest Information Center. Three copies of the final archaeology report(s) shall be submitted to the Office of Environmental Review, accompanied by copies of the transmittals documenting its distribution to the President of the Landmarks Preservation Advisory Board and the California Archaeological Site Survey Northwest Information Center.

No Specific Locations of archaeological sensitivity are identified; however, ship and boat remains could be buried almost anywhere in the project area. Because of this sensitivity, locations where construction excavation would take place, that otherwise are not subject to archaeological investigation, would be subject to archaeological monitoring.

Attachment B

Conditions of Approval
Ballpark Parking Lot E, Seawall Lot 337

1. CBBC shall install and maintain landscaping as indicated on the approved plans throughout the life of the lease. All plantings shall be planted in soil able to support healthy plant growth and with planting practices standard to the landscaping industry. All plantings shall be watered by an automatic irrigation system. Any unhealthy, unsightly, or dead plants shall be replaced with new plantings, and the irrigation system shall be maintained in an operable condition throughout the life of the lease.

2. CBBC and its subtenant(s) will design, construct and operate the parking Lots in accordance with the Installation Plan, the CBBC Letter dated June 14, 1999 and the Soil Management Plan.

3. CBBC and its subtenant(s) will implement a system that allows use of the parking lot by Ballpark employees and other permitted uses of the Ballpark, but does not allow general parking. This will be accomplished by the issuance of regular parking passes to Ballpark and Pavilion building employees and personnel and through the use of a ticket validation process for all other visitors to the Ballpark and the Pavilion building. CBBC and its subtenant(s) will be required to enforce the validation system by implementing a price structure that discourages non-visitors from using the parking lot.

PLANNING DEPARTMENT

City and County of San Francisco 1660 Mission Street San Francisco, CA 94103-2414

(415) 558-6378 PLANNING COMMISSION FAX: 558-6409 ADMINISTRATION FAX: 558-6426 CURRENT PLANNING/ZONING FAX: 558-6409 LONG RANGE PLANNING FAX: 558-6426

MEMORANDUM

DATE: June 16, 1999

TO: Decision-makers and Interested Parties

FROM: Gerald G. Green, Director of Planning

RE: Addendum #3 to the Final EIR, Giants Ballpark Project
Case No. 96.176E

The San Francisco Giants Ballpark at China Basin was approved by the Planning Commission in July, 1997, following review and consideration of a Final Environmental Impact Report (EIR) certified on June 26, 1997. The project is under construction. At this time, the project sponsor is requesting various approvals required to develop interim parking lots containing about 4,850 sapces on approximately 36 acres south of China Basin Channel, as generally described and analyzed in the Final EIR. The "Installation Plan" for these lots proposes details concerning drainage, lighting, landscaping, and operation that were not known at the time the Final EIR was certified.

The additional information concerning these parking lots has been analyzed and evaluated in the attached Addendum #3 to the FEIR[1], as provided for in the California Environmental Quality Act (CEQA) Guidelines Section 15164. As a result of the evaluation, the Planning Department has concluded that no new significant impacts would result from implementation of the "Installation Plan" for the interim parking lots. Appropriate mitigation measures identified in the Final EIR have or will be incorporated into the interim parking lots development, as described in the Addendum.

Pursuant to CEQA Guidelines Sections 15091 (findings), 15092 (approvals) and 15164 (EIR addendum), the various decision-makers for this project, including the Board of Supervisors, Port Commission, and Zoning Administrator, must consider the information contained in the Addendum and the Final EIR prior to making a decision on the project.

If you have any questions about the Addendum or the Final EIR as it relates to the approval process for the interim parking lots, please contact Hillary Gitelman (558-6381) or Paul Deutsch (558-6383) of the Planning Department's Major Environmental Analysis section. Larry Badiner (558-6350) may be contacted concerning Planning Department approvals for the project, and Dan Bell (274-0585) may be contacted concerning Port Commission approvals.

[1] Addendum #1 (September 17, 1998) covered a new children's playground with various elements including a large Coke bottle. Addendum #2 (May 5, 1999) covered implementation of a passenger vessel terminal at China Basin.

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CITY AND COUNTY OF SAN FRANCISCO

PLANNING DEPARTMENT

SAN FRANCISCO GIANTS BALLPARK AT CHINA BASIN

Final Environmental Impact Report

ADDENDUM NO. 3
INTERIM PARKING LOT DEVELOPMENT

96.176E

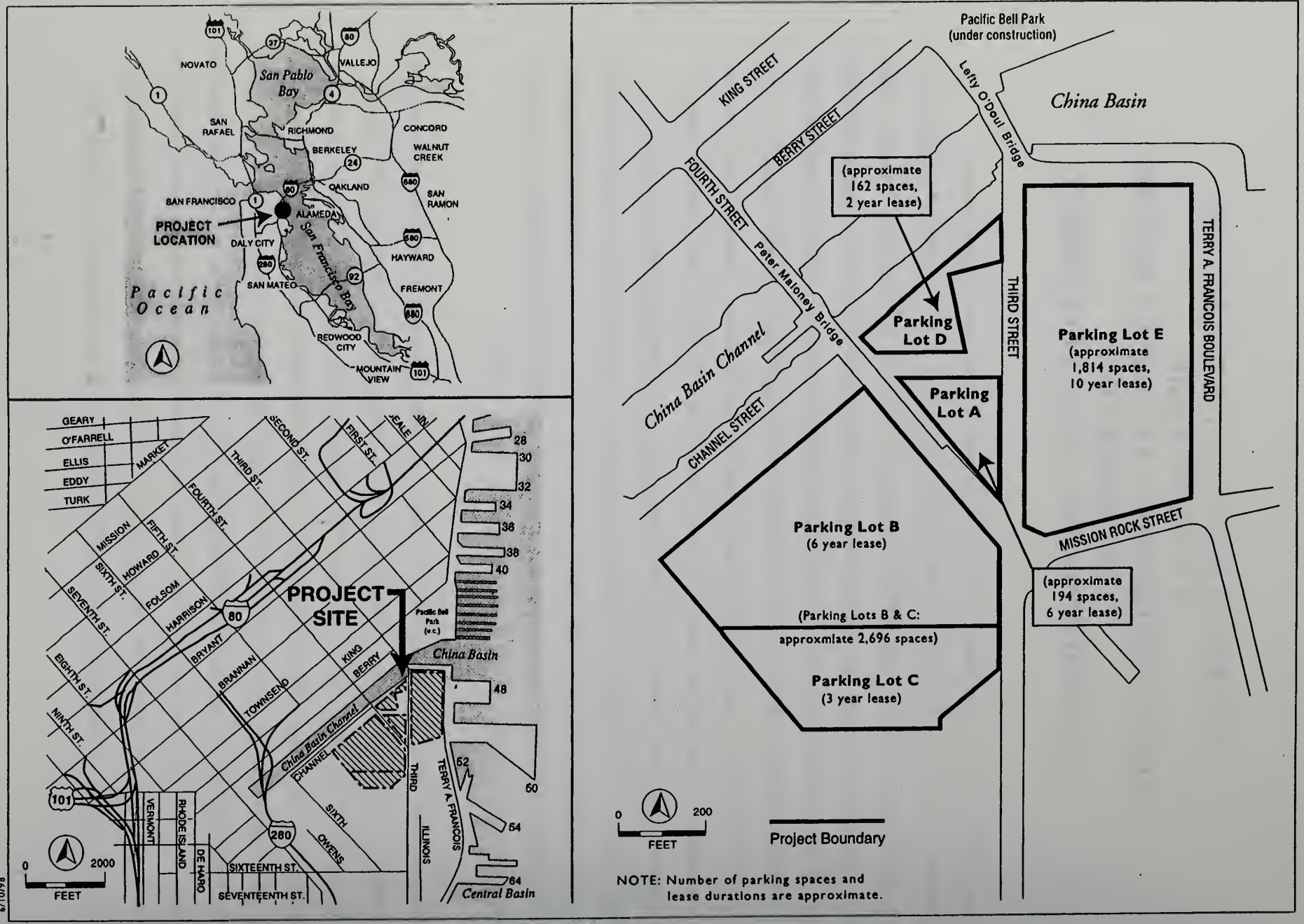
STATE CLEARINGHOUSE NO. 96102056

FINAL EIR CERTIFICATION DATE: JUNE 26, 1997
ADDENDUM NO. 3: JUNE 16, 1999

SAN FRANCISCO GIANTS BALLPARK
AT CHINA BASIN
FINAL ENVIRONMENTAL IMPACT REPORT
ADDENDUM NO. 3
INTERIM PARKING LOT DEVELOPMENT

Pacific Bell Park, the new home for the San Francisco Giants baseball team, is under construction at China Basin and is scheduled to open in April 2000. The developer and operator of the ballpark, the China Basin Ballpark Company LLC (CBBC), has retained Imperial Parking, Inc. (Imperial) to develop and operate parking lots south of the China Basin Channel near Pacific Bell Park, as shown in Figure 1. The proposed parking lots would accommodate approximately 5,000 parking spaces on about 37 acres of land owned by the Catellus Development Corporation, the Port of San Francisco, and the City and County of San Francisco. These lots would be used to accommodate the parking needs of patrons visiting the ballpark and associated facilities. The Giants will play approximately 81 home games per year, not including pre-season and post-season games. Other events will be held at the ballpark from time to time, including concerts and civic events. In addition, the ballpark will attract visitors on non-game and non-event days. The parking lots would be developed as "interim" or relatively short-term uses of the properties, with leases ranging from 2 to 10 years, depending on the location.

Development of surface parking lots for up to 5,000 vehicles south of China Basin Channel was analyzed in the *San Francisco Giants Ballpark at China Basin Final Environmental Impact Report* (Ballpark EIR), certified in June 1997,[1] and approved by adoption of a lease by the San Francisco Port Commission on September 9, 1997, and issuance of a determination by the Zoning Administrator on September 4, 1997.[2] Additional approval actions are now required for the parking lot development, and additional information is now available regarding the location, design, and construction of the parking areas, necessitating preparation of this Addendum to the Ballpark EIR.[3] Additional information is also available regarding the nature and extent of soil and groundwater contamination on the parking lot sites, as well as the nature of development



SOURCE: Rutherford & Chekene Engineers, EIP Associates

EIR ADDENDUM: INTERIM PARKING FOR PACIFIC BELL PARK

FIGURE 1: PROJECT LOCATION AND SITE PLAN

proposed for the Mission Bay area, in which proposed parking lots A, B/C, and D would be located, and development adjacent to the proposed parking lots. Adoption of the Mission Bay South Redevelopment Plan is a change in circumstances that is also considered herein, along with related information and analysis contained in the *Mission Bay Final Subsequent Environment Impact Report* (Mission Bay SEIR.)[4] The *Mission Bay SEIR* contains updated data, analysis, and mitigation measures regarding development of the interim parking lots.

Section 31.35 of the San Francisco Administrative Code states that, under such conditions, a proposed project must be re-evaluated and that, "if, on the basis of such reevaluation, the Department of City Planning [Planning Department] determines that there could be no substantial change in the environmental effects of the project as a result of such modification, this determination and the reasons therefor shall be noted in the case record, and no further evaluation shall be required by this Chapter."

The interim parking project has been evaluated in this EIR Addendum, pursuant to State California Environmental Quality Act (CEQA) Guidelines Section 15164. As a result of the evaluation, the Planning Department has concluded that no new significant impacts would result from the modified project as proposed, no important changes in circumstances involving potential significant impacts have occurred since the Ballpark EIR was certified in 1997, and no new information has come to light that would indicate the potential for new significant impacts not discussed in the Ballpark EIR.

Pursuant to CEQA Guidelines Sections 15091 (findings), 15092 (approvals) and 15164 (EIR addenda), the decision makers for the additional approval action must consider the information contained in this Addendum, and the Ballpark EIR, prior to making a decision on the project.

This Addendum summarizes the conclusions presented in the Ballpark EIR, analyzes the proposal in light of that information and other information now available, and concludes that the present proposal is within the scope of those environmental analyses, would not result in any new significant environmental effects, and does not require additional environmental review.

Project Description

A. Location

The proposed parking lots would be located immediately across China Basin Channel from Pacific Bell Park (ballpark). Approximately 5,000 parking spaces would be constructed on five discrete lots. Figure 1 illustrates the lots, which are designated A, B, C, D, and E. Each parking lot would be separate and distinct, except for a single combined lot designated as B and C.

Table 1 summarizes information about parking lot size, location, ownership, and duration of lease. Together, Lots A, B/C, and D would accommodate about 3,060 parking spaces. Lot D is owned entirely by Catellus Development Corporation and would be leased by CBBC for parking for about 2 years. Catellus Development Corporation currently owns most of Lot B/C, except for a portion owned by the City and County of San Francisco. Following the closing of the land transfer transaction for the Mission Bay development, scheduled for June 1999, Catellus will own all of Lot C and all but a small portion of Lot B. Lot B would be leased by CBBC for parking for almost 6 years, and Lot C would be leased for 3 years. Lot E would accommodate about 1,815 parking spaces. This area is owned by the Port of San Francisco and has been leased by CBBC for about 10 years.[5]

B. Transportation Access and Circulation

Vehicle access to and from the parking lots would be designed to coordinate with the capacity of the existing street system. Figure 2 shows vehicle gates for each lot. Major entrances would provide interior queuing space so that entering vehicles could wait off the street while parking passes are checked or fees are collected. Most of the parking spaces would be pre-sold to season ticket holders, who would be familiar with lot areas and procedures; therefore, the major lot entrances would accommodate entering vehicles at an estimated rate of 10 seconds per vehicle (360 cars per hour per lane). Vehicle egress would typically occur by reversing the traffic flow at the entry gates.

TABLE 1
SUMMARY OF PARKING LOT SIZE, LOCATION, OWNERSHIP, AND DURATION OF LEASES

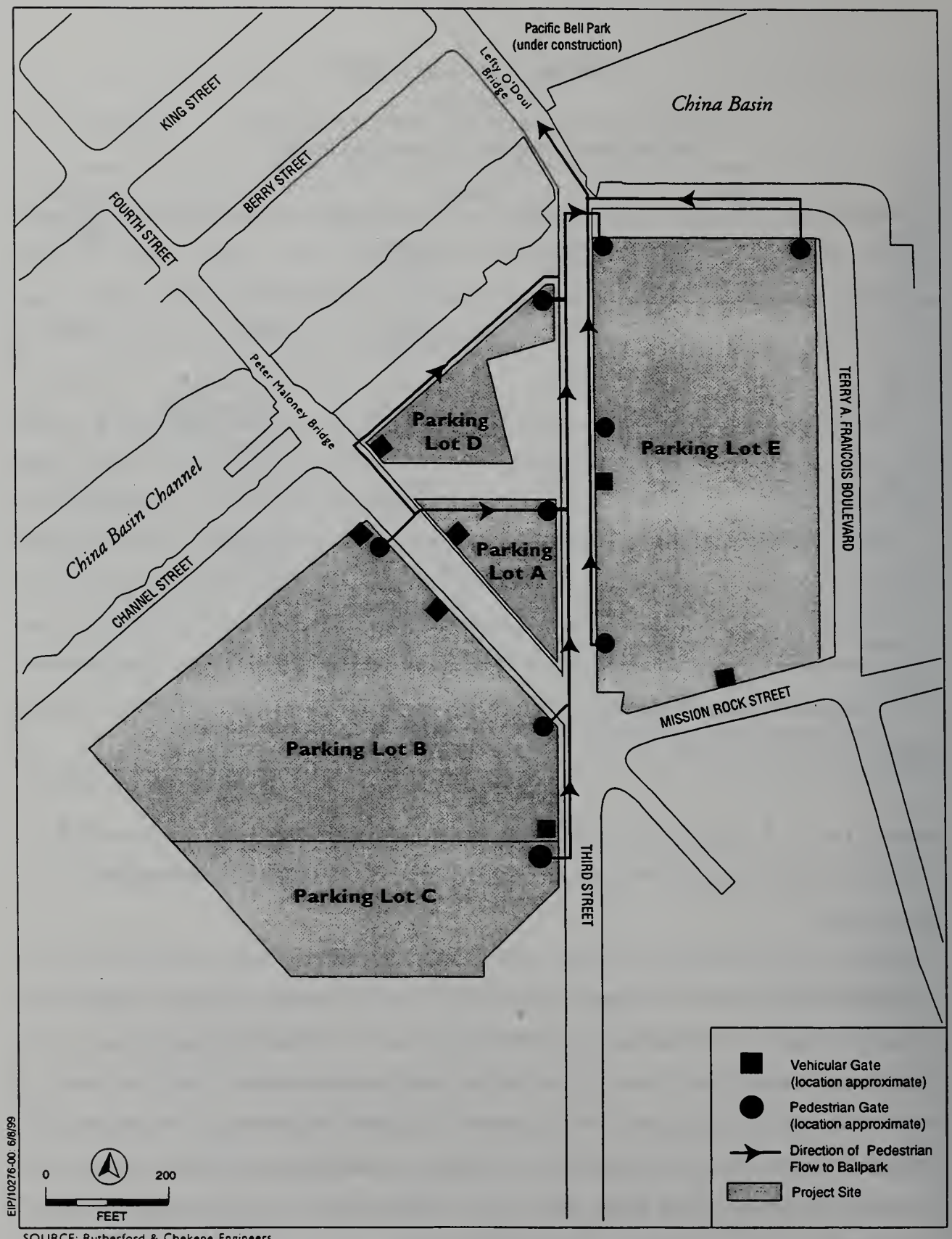
Parking Lot[a]	Size		Location		Ownership[b]	Duration of Lease (approx.)
	Acres (approx.)	Parking Spaces (approx.)	Assessors Block	Adjacent Streets		
A	1.74	195	3813	Third St. Fourth St.	Catellus	6 years
B/C	B 13.8 C 5.75	2,700	3810	Third St. Fourth St.	B Catellus and City and County of San Francisco C Catellus	B 6 years C 3 years
D	1.78	165	3813	Third St. Fourth St.	Catellus	2 years
E	13.5	1,815	3880	Third St. Terry A. François Blvd. Mission Rock St.	Port of San Francisco	10 years
Total	36.57	4,875				

Notes:
[a] See Figure 1 for parking lot locations.
[b] Assumes land transfers are completed in June 1999. Assumes stormwater management Option A.

Source: Rutherford & Chekene, 1999.

Parking Lot A. A single two-lane vehicle entrance to Lot A would be located on Fourth Street. Vehicles would approach the entrance from either direction and exit through the same gate, turning right.

Parking Lot B/C. Three vehicle gates would serve Lot B/C (a combination of parcels B and C that would function as one parking area). The main entrance consisting of four entry lanes would be located on Fourth Street, about 300 feet north of the intersection of Third and Fourth Streets. The northbound approach on Third Street would be re-striped to accommodate two left turn lanes onto Fourth Street for lot traffic. The entrance would be intended to primarily serve northbound traffic from Third Street, although some vehicles may also arrive from the north. Exiting traffic would be directed south down Third Street.



SOURCE: Rutherford & Chekene Engineers

EIR ADDENDUM: INTERIM PARKING FOR PACIFIC BELL PARK

FIGURE 2: VEHICULAR AND PEDESTRIAN ACCESS

Another gate would be located at the northeast corner of the lot on Fourth Street. This three-lane entrance would serve vehicles arriving from the Fourth Street Bridge. Following an event, at least one of the lanes would operate in reverse, routing traffic back across the bridge.

A third gate would be located on Third Street, about 250 feet south of the intersection of Third and Fourth Streets. This two-lane entrance would serve southbound vehicles on Third and Fourth Streets that do not enter other gates. Although the median planned for Third Street as part of the Third Street Light Rail Project would prevent left turns from northbound Third Street traffic, some northbound traffic may make a U-turn at the intersection of Third and Fourth Streets and also use this gate.

Parking Lot D. Lot D would have one two-lane vehicle entrance located on Fourth Street, just south of the Fourth Street Bridge. Traffic would approach Lot D from the north, crossing the Fourth Street Bridge. Traffic departing Lot D would exit through the same gate and proceed north across the bridge.

Parking Lot E. Two vehicle gates would serve Lot E. The main entrance, with four entry lanes, would be located about 220 feet west of the intersection of Terry A. François Boulevard and Mission Rock Street. The approach on Terry A. François Boulevard would be re-striped to accommodate two left turn lanes onto Mission Rock Street. The entrance would primarily serve vehicles coming from the south on Terry A. François Boulevard, although a limited number of vehicles would also arrive from the west on Mission Rock Street. After an event, about three outbound lanes would be opened to exiting traffic. Most of the traffic would be directed south on Terry A. François Boulevard. Some traffic would likely turn right onto Mission Rock Street and head northbound on Third Street.

A second gate would be located on Third Street about half-way between the Lefty O'Doul Bridge and Mission Rock Street. This three-lane entrance would primarily serve vehicles crossing the China Basin Channel by way of the Lefty O'Doul Bridge. Following an event,

traffic leaving through this gate would be directed north, back across the bridge. The limited capacity of the bridge and the heavy pedestrian presence near the ballpark would determine whether one or two exit lanes would be opened. To control traffic volumes, it is likely that only one lane would be used immediately following a game.

Space for up to 40 charter buses could be provided on the street along the east side of Lot E within an area to be separately licensed to CBBC. A bicycle parking area to accommodate about 200 bicycles would be located just northeast of Lot E, within the planned public-access shoreline area.

C. Stormwater Drainage Plans

The proposed parking lot design calls for the construction of parking areas paved with asphalt. Two drainage options are under consideration, and are described below. Both options would utilize depressed drains in the parking lot surface areas, and both options would meet the following design criteria: 1) sizing to accommodate water from a 5-year storm, similar to the drainage and sewer system elsewhere in the City, 2) not increasing volumes of combined sewer overflows (CSOs) during wet weather, and 3) use of alternative technology to treat stormwater discharges. A 5-year storm is defined as a storm with a 20% probability of occurring in any particular year.

Option A

Option A is the project sponsor's preferred drainage option. Under Option A, stormwater from the paved surfaces of each parking lot would generally flow through new underground pipes to the City's combined sewer system and into the existing Channel South Transport/Storage Box at Channel Street, adjacent to Lot B/C, and from there, via the City's combined sanitary and stormwater sewer system to the Southeast Water Pollution Control Plant (SEWPCP) for treatment and discharge. Stormwater would enter the system at inlets spread throughout the

parking lots. The inlets would have catchbasins consisting of a sump, an inverted pipe that functions as an oil/water separator, and an oil sorbent filter.

During major storm events, when CSOs would be most likely, flow from the parking lots into the Transport/Storage Box would be shut off to prevent an increase in CSO volumes due to parking lot flows. The shut-off valves would close when the transport/storage box sewer reaches a predetermined level (about 85% of its storage capacity), and stormwater would then be diverted and discharged directly to China Basin Channel after treatment by a liquid/solid separator. When the storm subsides and the water level in the Transport/Storage Box goes down (to about 26% of its storage capacity), stormwater flow to the Transport/Storage Box would resume.

The liquid/solid separator treatment system would accommodate a flow of 52 cubic feet per second and would be a continuous deflective separation (CDS) unit with an adjustable weir and an oil/water separation bag.

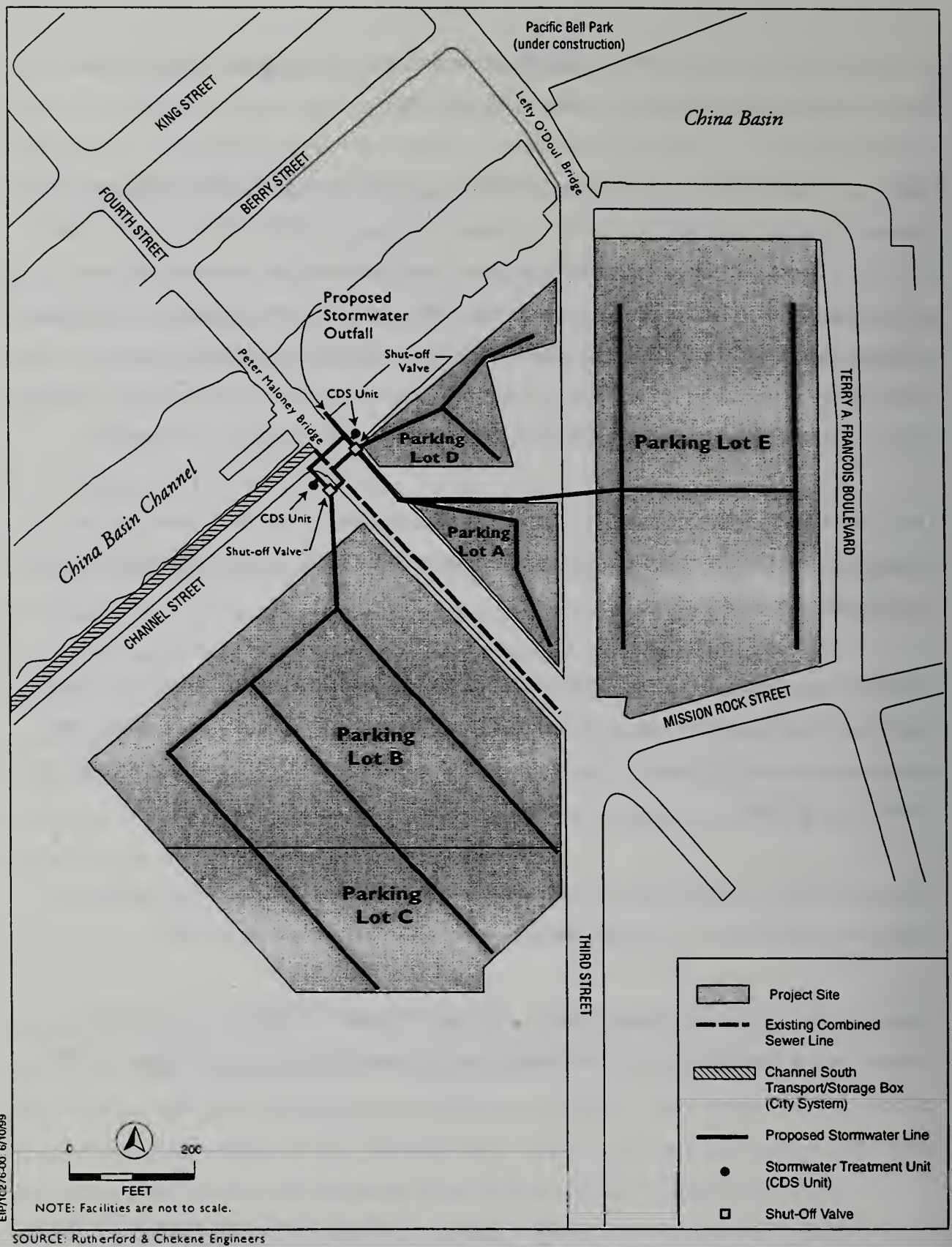
The discharge point (i.e., the outfall) would consist of two 36-inch diameter outfall pipes just east of the Peter Maloney Bridge on the southside of China Basin Channel. The outfall pipes would be surrounded by rip-rap. The entire outfall and rip-rap area would be approximately 16 feet wide by 10 feet.

On rare occasions, when the stormwater treatment system's capacity is exceeded, stormwater would flow over land to the Channel and the Bay, similar to elsewhere in the City.

Figure 3 shows a schematic diagram (not to scale) of the system: including collection pipes in the parking lots, shut-off valves, liquid/solid separator treatment units, and a discharge outfall.

Option B

Option B is not the project sponsor's preferred option. Under Option B, just as under Option A, stormwater from the paved surfaces of each parking lot would generally flow through new



SOURCE: Rutherford & Chekene Engineers

EIR ADDENDUM: INTERIM PARKING FOR PACIFIC BELL PARK

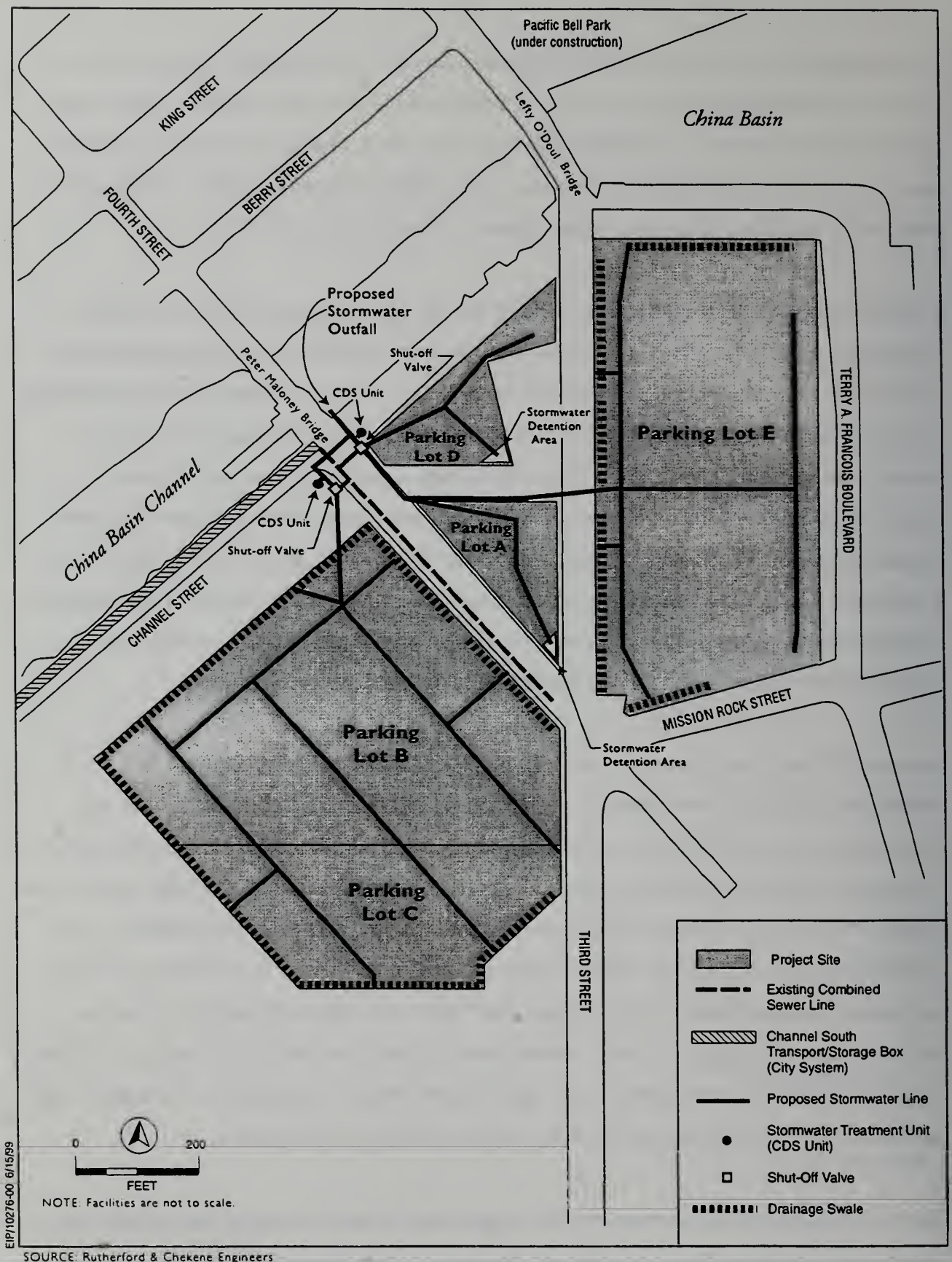
FIGURE 3: STORMWATER MANAGEMENT SYSTEM: OPTION A

underground pipes to the City's combined sewer system and into the existing Channel South Transport/Storage Box at Channel Street, and from there, via the City's combined sanitary and stormwater sewer system to the SEWPCP for treatment and discharge. Option B would result in more stormwater going to the City's combined sewer system than would Option A. Inlets and catchbasins would be as described under Option A. Figure 4 illustrates Option B.

The difference between Option A and Option B is what happens during major storm events, when CSOs would be most likely. Under Option B, as under Option A, flow from the parking lots into the Transport/Storage Box would be shut off to prevent an increase in CSO volumes due to parking lot flows. The shut-off valves would close when the transport/storage box sewer reaches a predetermined level (about 85% of its storage capacity). In contrast to Option A, stormwater would back up in the pipes and into a system of swales and small detention basins. (Swales are surface channels.) Lots B/C and E would have swales around much of their perimeters. Lots A and D would have small detention ponds, instead of swales. When the storm subsides and the water level in the Transport/Storage Box goes down (to about 26% of its storage capacity), stormwater flow to the Transport/Storage Box would resume.

As under Option A, the piping and treatment units in Option B would be designed to accommodate a 5-year storm event. If a storm with greater precipitation were to occur, and stormwater were to continue to rise, the stormwater storage capacity could be exceeded, and the stormwater would be routed to liquid/solid separator treatment units and a discharge outfall. The treatment units and discharge outfall would be similar to that proposed under Option A. The liquid/solid separator treatment system would accommodate a flow of 6 cubic feet per second and would be a continuous deflective separation (CDS) unit with an adjustable weir and an oil/water separation bag. The outfall would be one 36-inch diameter outfall pipe just east of the Fourth Street Bridge on the south side of China Basin Channel. The total area of the outfall and associated rip-rap would be approximately 16 feet wide by 10 feet or smaller.

On rare occasions, the stormwater overflow system may operate at capacity. In such an event, stormwater would overflow the swales and flow across future Owens Street from Lot B, across



SOURCE: Rutherford & Chekene Engineers

EIR ADDENDUM: INTERIM PARKING FOR PACIFIC BELL PARK

FIGURE 4: STORMWATER MANAGEMENT SYSTEM: OPTION B

Fourth Street from Lot A, and across Mission Rock Street from Lot E to China Basin Channel and San Francisco Bay.

D. Site Facilities

Structures proposed to be erected on the parking lot sites would include light posts, portable ticket booths, signs, and fences. Signs would be posted to direct vehicular and pedestrian circulation. Ticket booths and portable toilets would be temporary structures that could be removed and stored off-site when not needed. Light posts would stand about 40 feet tall and be spaced about 120 to 150 feet apart. The fixtures would use high-pressure sodium or metal halide lamps. To control light spill and glare, "sharp cut-off" fixtures would be used with a cut-off angle of 45 degrees. Spill lighting would be 0.25 foot-candles or less at 5 feet from the property line.

Under Option A, the parking areas would be surrounded by 42-inch-high fences. Under Option B, the swales and the entire perimeters of Lots A, B/C, and D would have 6-foot fences completely surrounding them. Appropriate barriers would be installed around the detention basins on Lots A and D. All fences would be 42 inches tall on Lot E. Under both Options A and B, all fences would be vinyl-coated and constructed according to Building Code requirements.

At a minimum, plantings on Lots A, B, C and D would include drought-tolerant vines planted every 10 feet along the length of the fencing on Third Street, Fourth Street, parallel to Channel Street, and on the southeastern corner of Lot C. Also at a minimum, for Lot E, plantings would include drought-tolerant vines planted the length of the perimeter of the fence. The planting is intended to create blooms at the start of and through the early baseball season, and to partially screen the lots. One foot of clean soil would be installed in all areas of planting.

E. Construction Activities

The construction activities for the parking lot installation would include demolition of metal and concrete structures on Lot E, site clearing and grubbing of the existing surface vegetation, removal of existing pavement, trenching for underground utilities, and installation of surface improvements and lighting.

Regarding truck access during construction, the following are the points of construction entry to each site: for Lot B/C, at the proposed main entrance on Fourth street; for Lots A and D, at the proposed entrances on Fourth Street; and for Lot E, at the proposed main entrance on Mission Rock Street. No construction parking is anticipated outside the construction area.

Earthwork associated with grading Lots A, B, C and D would require approximately 15,000 cubic yards of cut and 40,000 cubic yards of fill, and the Port property (Lot E) would require approximately 500 cubic yards of cut and 25,000 cubic yards of fill. The depth of excavation for the earthwork would be approximately 2 feet for cut and 4 feet for fill. Excavation for utility trenching would range from 4 feet to 11 feet. Excavation would extend down to 20 feet for the liquid/solid separator treatment system units. As discussed in more detail in the Contamination and Environmental Risk section of this Addendum, soil management for Lots A, B, C and D would follow the Risk Management Plan prepared by Catellus, and soil management for Lot E would follow the project-specific Soil Management Plan, prepared for Lot E.

Security measures during construction would include fencing and locked gates. Access to the construction sites would be controlled. The sites would be fenced except for controlled gates for vehicle entry. The gates would be locked during non-construction hours, and no-trespassing signs would be posted every 500 feet.

Construction of the proposed parking lots is scheduled to be completed in time for the ballpark to open in April 2000. Demolition of existing structures (on Lot E) and construction preparation would be anticipated to begin in August 1999. Site grading and storm drain installation would

occur in September/October 1999, and paving would be initiated in November/December 1999. Lighting, fencing, and landscaping would be installed following completion of each parking area. The duration of construction under this schedule would be approximately seven months.

F. Approvals Required

As noted above, the proposed parking lots were previously analyzed in the Ballpark EIR. The Port Commission entered into a lease with CBBC and consented to CBBC's sublease with Imperial for the parking area referred to as "Lot E." In addition, the Zoning Administrator approved the parking lots as interim uses. Several additional approval actions are required prior to project implementation, as described below.

- Port of San Francisco: approval and recommendations regarding conceptual design of parking lots, including Soil Management Plan and drainage system; issuance of building permits for Lot E.
- Zoning Administrator's review of project design features in accordance with his original, September 4, 1997, letter of approval.
- Board of Supervisors: approval of a City lease for a portion of property in Lot B/C that is owned by the City.
- Art Commission: approval of any structures on City property.
- Bay Conservation and Development Commission: permit for outfall construction.
- U.S. Army Corps. of Engineers: permit under Section 404 of the federal Clean Water Act for placing rip-rap in China Basin Channel around the outfall and outfall construction.
- San Francisco Redevelopment Agency and Department of Building Inspection: approval of site permits for Lots A, B/C, and D.

In addition, pursuant to an agreement between the City, CBBC, and Baykeeper, the Port Commission will hold a public hearing for consideration of the proposed installation, drainage, and soil management plans on June 29, 1999.

G. Comparison of Current Proposal to EIR Description

The current proposal for approximately 5,000 ballpark parking spaces south of the China Basin Channel is consistent with the proposed project and analysis in the Ballpark EIR and differs primarily in the level of detail available.

The Ballpark EIR states:

> The project sponsor intends to provide dedicated surface parking for games and other events at the ballpark. The parking plan calls for at least 5,000 parking spaces immediately south of the China Basin Channel on properties owned by the Catellus Development Corporation and the Port of San Francisco. The parking facilities would be operated on an interim basis . . .
>
> . . . A variety of surface treatments are being considered for the parking area. These surface treatments may be used for some or all areas to be developed for parking. They include: surface grading, paving with a 2- to 9-inch asphalt cap or another appropriate surfacing material, striping, and the construction of drainage and gutter improvements where necessary. Some sidewalks and curbing may be installed in high-volume pedestrian areas.
>
> To insure safety and security of parking areas, the design may include: landscaping, lighting, fencing, entrance gates and appropriate signage at street level to direct ballpark parking traffic. Fencing may be of the chain-and-post variety, but some "cyclone" fencing might be used in tightly controlled areas. Landscaping might replace fencing in some areas. Entrance gates would likely be "arm"-style barriers.
>
> For safety reasons, some pole-mounted lighting might be used in coordination with pavement lighting.[6]

Mitigation included as part of the ballpark project, and in the Ballpark EIR analysis, requires designing the drainage improvements such that no stormwater runoff would directly enter China Basin Channel or the Bay without treatment. Drainage improvements are required to convey collected stormwater to San Francisco's combined sanitary and stormwater sewer system. Oil/water separators are required to be installed at any stormwater inlets at the parking areas.[7]

Proposed Lots A, B/C, and D are within the Mission Bay South Redevelopment Area. The Mission Bay SEIR contains a description of the interim ballpark parking lots with a drainage system similar to Option B, described above. The Mission Bay SEIR recognized that the interim parking lots would increase surface stormwater flows and could contribute to an increase in combined sewer overflows.[8] Therefore, one idea evaluated in the Mission Bay SEIR was a detention basin system to temporarily store stormwater flows prior to their entry into the combined system. Such a system would allow for temporary storage of rainwater from large storms up to the 5-year storm event. After temporary storage, the stormwater would be conveyed to the Southeast Water Pollution Control Plant for treatment.[9]

The sewer system proposed for the Mission Bay South Redevelopment Area for permanent development envisions separated stormwater and sanitary sewers in the Central/Bay Basin, which includes the area of proposed Parking Lots A, B/C, and D.[10]

The present proposal differs from descriptions in the Ballpark EIR in the respects listed below:

- While the general location of the parking lots are similar to that described earlier, the proposed configuration of the parking areas varies somewhat from those presented in the Ballpark EIR (see Figure 1 of this Addendum, and Figure II.D.5 of the Ballpark EIR[11]). Specifically, no parking is currently proposed south of Mission Rock Street.

- Chain-and-post fencing would not be used. The proposed fencing is described under Site Facilities.

- The design of the stormwater system was not specified in the Ballpark EIR. The two options proposed for stormwater management are similar to stormwater management strategies discussed in the Mission Bay SEIR. Stormwater management Option A is similar to a long-term stormwater management proposal in the Mission Bay SEIR (i.e., separated stormwater and sanitary sewers, with most flows going to the combined sewer system, but with flows during large storms going to liquid/solid separator treatment units prior to discharge into the

China Basin Channel or the Bay). Stormwater management Option B is similar to the interim stormwater management proposal in the Mission Bay SEIR (i.e., with most flows going to the combined sewer system, but with flows during large storms being detained on-site temporarily before going to the combined sewer system). In addition, under Option B, flows exceeding the on-site storage capacity would go to a liquid/solid separator treatment unit prior to discharge into the China Basin Channel.

ANALYSIS OF PROJECT DESIGN, NEW INFORMATION, AND CHANGES IN CIRCUMSTANCES SINCE CERTIFICATION OF THE BALLPARK EIR

As explained above, the proposal for the parking lots now contains more details, and new information is now available regarding site conditions. In addition, there have been some changes in circumstances, including adoption of the Mission Bay South Redevelopment Plan. These changes and information are analyzed below for each relevant topic of the Ballpark EIR.

A. Applicable Plans and Policies

When the Ballpark EIR was written there was an approved earlier proposal for redevelopment of Mission Bay. (The 1990 Mission Bay Project is discussed in the Ballpark EIR on p.IV.11.) Subsequent to the publication of the Ballpark EIR, in late 1998, the San Francisco Redevelopment Agency and the Board of Supervisors approved the current *Mission Bay South Redevelopment Plan*. The portion of the proposed parking project west of Third Street (i.e., Lots A, B/C, and D) lies within the *Mission Bay South Redevelopment Plan* Area, and the land use policies of that *Plan* apply.

The *Mission Bay South Redevelopment Plan* sets forth land use designations. The sites for proposed parking lots A and B/C are designated "Mission Bay Residential," which permits residential and certain types of retail and office uses as primary uses.[12] The site for proposed parking lot D is designated "Hotel," which permits hotel, retail, and entertainment uses as

primary uses.[13] Section 303.3 of the *Plan* permits interim uses, which are uses that could exist up to the actual redevelopment according to the land use designations. As shown in Section 303.3(c) of the *Plan*, interim use for ballpark parking consistent with the Zoning Administrator's September 4, 1997 approval letter is an expressly authorized interim use. Because some of the interim parking lots would be located on public property currently owned by the City or future public property proposed for City ownership following completion of Mission Bay land transfers, some of the parking lot leases are private arrangements with Catellus and some are with the City. All of the leases for the proposed parking lots subject to the *Mission Bay South Redevelopment Plan* (Lots A, B/C, and D) are for terms and under conditions authorized by the Zoning Administrator.

Lot E, on the Port of San Francisco property, is not included in the *Mission Bay South Redevelopment Plan* Area. This property currently retains the land use designation MB-OS, meaning Mission Bay Open Space, as explained in the Ballpark EIR. As with lots A-D above, interim use of the Port property for ballpark parking is expressly authorized by the Zoning Administrator's September 4, 1997 approval. Also as explained in the Ballpark EIR, the Port's *Waterfront Land Use Plan* applies to this location. Lot E includes the Port's Seawall Lot 337 and is within the South Beach/China Basin Waterfront subarea of the *Waterfront Land Use Plan.* The *Waterfront Land Use Plan* specifies parking as an acceptable use for Seawall Lot 337. The *Waterfront Land Use Plan* general policies for interim uses on areas south of China Basin Channel allow for installation of parking facilities to utilize the Port's existing land resources.[14]

As a permitted interim use, the installation of interim parking would not conflict with the goals or applicable policies of the Port's *Waterfront Land Use Plan.* Interim ballpark parking would also be permitted and consistent with the *Mission Bay South Redevelopment Plan*, and there would be no substantial plan inconsistencies or related impacts substantially different from those described in the Ballpark EIR.

B. Land Use

Section IV.B, Land Use, of the Ballpark EIR discusses the installation of interim parking areas south of the China Basin Channel (see EIR pp. IV. 23a-b). The existing land use conditions and circumstances in the project area have not changed substantially since certification of the Ballpark EIR. The lots are mostly vacant or occupied by interim industrial uses. An existing commercial entertainment/recreation use (the Bladium) would be retained at its site, surrounded by proposed Lots A and D, on Third Street. On Lots A, B/C, and D, there are no existing buildings that would be demolished to accommodate the proposed parking.

Proposed Lot E, on Port property outside of the Mission Bay Project Area, includes vacant industrial facilities (including the now-defunct H&H Ship Servicing Company), and vacant buildings and surface parking. Other activities on the property operate under short-term (e.g. month-to-month) leases. Uses that would be relocated prior to parking lot construction include an emergency-basis homeless shelter. The City is working to secure an alternative site for this temporary homeless shelter. Existing buildings to be demolished would include the following:

- 250 Terry A. Francois Boulevard, 66,000 gross square feet,
- 300 Terry A. Francois Boulevard, 15,000 gross square feet, and
- 74 Mission Rock Street, 1,200 gross square feet.

The proposed development of the Port property with interim parking uses would not substantially alter the existing character of the area. The proposed parking areas would not cause land use impacts substantially different from those analyzed in the Ballpark EIR, and the project would not result in any new significant impacts.

C. Visual Quality and Lighting

Parking area lighting and the associated visual quality effects are discussed in Section IV.C of the Ballpark EIR (p. IV.45). The installation plan does not include any new structures other than

light posts, fencing, and portable facilities. The visual quality impacts of the parking plan would be consistent with those analyzed in the Ballpark EIR, but at the time of the Ballpark EIR, the lighting system had not been designed.

Lighting fixtures would be spaced about 120 to 150 feet apart, each approximately 40 feet tall. The fixtures would use high-pressure sodium or metal halide lamps with "sharp cut-off" fixtures having a cut-off angle of 45 degrees. This design would help to control spill light and glare (terminology defined in the Ballpark EIR, p. IV.34). As specified by mitigation measures in the Ballpark EIR (p. V.1), the design would limit spill lighting to 0.25 foot-candles or less at 5 feet from the property line.

As described in the Ballpark EIR,[15] the proposed parking areas and lighting would be visible from the Channel, the Bay, and surrounding areas within the City, including views from eastern Potrero Hill. As with the light generated by the ballpark, the background lighting from nearby buildings, buildings across the Bay, and the Bay Bridge would serve to reduce the contrast between the parking area lighting and nighttime darkness. From Potrero Hill, the parking area lighting would appear similar to street lighting, but would be more concentrated than street lighting. As described above, the project includes a limitation on spill lighting which would minimize spill-lighting glare in off-site areas.

The Mission Bay South Redevelopment Plan would introduce hotel and residential uses to the vicinity of the parking lots. However, because the proposed parking areas would be consistent with the Mitigation Measure A.1 from the Ballpark EIR, which requires controlling glare and controlling spill light to 0.25 foot-candles or less at 5 feet from the property line, the project would not result in any new significant visual quality or lighting impacts.

D. Shadows and Wind

Section IV.D of the Ballpark EIR examines the effects of the ballpark project on the local shadow and wind environments. The existing shadow and wind conditions and circumstances have not changed substantially since certification of the Ballpark EIR. Installation of new light posts, fencing, and portable facilities, such as ticket booths and possibly toilets, would not have the potential to alter the shadow and wind environments in the area.

E. Transportation and Circulation

The Ballpark EIR includes an extensive traffic impacts analysis in Section IV.E, Transportation and Circulation. This analysis is based on a number of assumptions about location of parking lots, travel modes that ballpark patrons would use, origin and destination of travel, and the level of future development likely to occur in the area surrounding the ballpark site. The proposed location of parking lots and the placement of entrances and exits to those parking lots have been adjusted somewhat from the assumptions in the Ballpark EIR. Specifically, parking lots would be within the locations shown in Ballpark EIR Figure II.D.5, on page II.20, although not all of the area shown on that figure is presently proposed to become ballpark parking and entrances/exits would be approximately as shown on Figure 2 of this Addendum.

Auto trip distribution to local streets is shown for pre- and post-game scenarios in Appendix C, Figures X.C.5 and X.C.6 on pp. A.124 - A.125 of the Ballpark EIR. As shown there, vehicles destined to the parking lots before a weekday night game would approach from the north mainly on southbound Fourth Street and from the south mainly on northbound Third Street. The precise location of parking entrances and exits would not cause a change in the assumptions of the main streets that motorists would use to approach the parking lots, since these assumptions are more dependent on the origin and destination of trips to and from the parking areas, and the location of major arterials and freeways.

The impacts analysis in the Ballpark EIR assessed effects at all relevant intersections near the parking lot sites, including Fourth and King Streets, Third and King Streets, Third and Berry Streets, Fourth and Third Streets, Third and Mariposa Streets, and Illinois and Mariposa Streets. (The intersection analysis results are presented on pp. IV.144 - IV.172.) Entrances on or near Terry A. François Boulevard would require motorists to use that boulevard, which is not shown on the trip distribution figures in the EIR Appendix, but is discussed in Section V.B, Transportation Mitigation (see below). Local pre- and post-game traffic congestion on this segment of Terry A. François Blvd. may exceed amounts projected in the Ballpark EIR, and may be correspondingly less on parallel segments of Third Street. Because Terry A. François Boulevard connects with Third Street at its north end and at the intersection of Illinois Street, Mariposa Street, at its south end, overall congestion at these connections and at intersections to the north and south would be the same as described in the Ballpark EIR.

The Mitigation Measures discussion and analysis in the Ballpark EIR includes a measure to provide a special traffic routing plan for both pre-game and post-game scenarios in Section V.B, Mitigation Measures, Transportation and Circulation (see pp. V.5a-V.11 in the Ballpark EIR). A preliminary traffic routing plan is discussed and analyzed in the Ballpark EIR as an example of the potential impacts of such a plan (pp. V.12-V.40). This preliminary traffic routing plan assumed that Terry A. François Boulevard would be used as access to parking and discusses the impacts of this use qualitatively on page V.18 and on page V.34, as well as in Responses to Comments on pp. C&R.270-273. These discussions of effects on Terry A. François Boulevard remain accurate. The plan assessed in Section V.B of the Ballpark EIR is not identical to the plan now being developed for the ballpark, but is similar in most aspects. For example, the Ballpark EIR preliminary plan includes parking control officers stationed at the intersection of Third and Fourth Streets (see Ballpark EIR Figure V.B.1, page V.8), as is now proposed to assist motorists in accessing the entrance to Lots B and C. As in the Ballpark EIR, parking control officers are currently recommended to be stationed along Mission Rock Street at a location that would now be near the proposed entrance to Lot E, and on Third Street north of the Third/Fourth Streets intersection at approximately the proposed location of a second entrance to Parking Lot E on the east side of Third Street.

The preliminary traffic routing plan also included suggested pre- and post-game traffic detours for motorists bound for the south-of-Channel parking lots and for those not destined for the ballpark (see, for example, Figures V.B.2 and V.B.3 on pages V.13 and V.15 of the Ballpark EIR). These traffic routes use Fourth Street southbound for motorists arriving from the north to access ballpark parking lots, and the traffic routes shown in the Ballpark EIR would direct motorists to use Terry A. François Boulevard, Illinois Street, and Third Street for access from the south. The information about locations of entrances to the parking lots would not compel any changes in these suggested traffic detours. The impacts of the preliminary traffic routing plan are assessed in the Ballpark EIR, with intersection levels of service provided in Table V.B.1, on pp. V.19-V.24.

As discussed in Section V.B, Mitigation Measures, Traffic and Circulation, in the Ballpark EIR, the preliminary traffic routing plan in the Ballpark EIR is an example of an overall traffic mitigation program and is not the only approach to reducing traffic congestion (p. V.12 of the Ballpark EIR). The preliminary traffic routing plan suggested closing the Lefty O'Doul Bridge (Third Street Bridge) to vehicular traffic. That suggestion is not part of the present traffic routing plan, but could be added if experience shows it to be necessary.

With the new information about parking details, anticipated traffic congestion would not be substantially worse than projected in the Ballpark EIR. There would be no additional significant impacts.

The Mission Bay North and Mission Bay South Redevelopment Plans were adopted in 1998, after the ballpark project was approved and construction commenced. The Mission Bay South Plan includes changes to the traffic circulation pattern compared to the streets analyzed in the Ballpark EIR. Major changes include rerouting Fourth Street directly south from China Basin Channel to Mariposa Street; removing the Fourth/Third Streets intersection; addition of several new east-west streets intersecting with Third Street, including an extension of Mission Rock Street from Third to Fourth Street; creation of North and South Common Streets connecting Terry A. François Boulevard with Seventh Street parallel to and south of Mission Rock Street;

and extension of Owens Street north to a roundabout and then east parallel to the Channel to Third Street, replacing Channel Street. Some of these new streets would preclude use of most of the proposed parking lots; rerouting Fourth Street would eliminate portions of lots B and C and require reconfiguration of the lots and entrances if the parking lots were to remain after the street relocation. The Third Street Light Rail Project would be constructed on a portion of the future Owens Street between Third Street and Fourth Street, which would use this new street, and is accounted for in the design of the ballpark parking lots A and D. In general, the new streets proposed as part of the Mission Bay South Redevelopment Plan would be constructed in phases as the parking lots are phased out.

The Mission Bay Subsequent EIR discussed impacts of the Giants Ballpark at China Basin on pages V.E. 107 to V.E.113. This discussion concludes, "Traffic on local streets in Mission Bay, including King Street, Third Street, Terry A. François Boulevard and Fourth Street south of the Channel, would be congested as ballpark fans leave parking areas, making it difficult for Mission Bay motorists to use those streets to access the area, both inbound and outbound" (Mission Bay SEIR, p. V.E.108). The Mission Bay SEIR also addressed the changes to street configurations, noting that traffic conditions at several intersections within Misison Bay would be expected to operate at better levels of service than identified in the Ballpark EIR because some streets would be widened and others would include new turn lanes to accommodate more traffic, and there would be more streets to absorb some of the traffic (see Mission Bay SEIR p. V.E.109). This analysis shows that the Ballpark EIR fully disclosed the potential impacts of that project, and that the Mission Bay development and circulation changes would not cause new significant impacts substantially different from those described in the Ballpark EIR.

F. Noise

Noise effects of the traffic created by ballpark-related traffic are discussed in Section IV.F of the Ballpark EIR (see pp.IV. 245-IV.251). Traffic caused by the ballpark was found to increase twenty-four hour, day-night average noise levels by as much as 1.4 dBA at residential and lodging locations in the area. Although the ballpark project causes traffic noise to increase in the

surrounding areas, the increases would not substantially affect the existing noise environment. The existing noise environment and circumstances have not changed substantially since certification of the Ballpark EIR.

As described in the Ballpark EIR, traffic accessing ballpark parking facilities would follow the main access routes from the south to the parking (along Mariposa Street between I-280 and Third Street) and would increase noise levels above existing conditions, especially in the areas near the intersection of Third and Mariposa. The duration of the traffic noise would depend on the length of time it would take for traffic to clear congested areas. The proposed parking installation would not alter the effects of ballgame crowd or concert noise discussed in the Ballpark EIR[16] and would not cause traffic noise impacts substantially different from those analyzed in the Ballpark EIR.

The effects of construction noise are discussed on pp. IV.261a-IV.262 of the Ballpark EIR and in Section V.G of the Mission Bay SEIR.[17] Construction of the parking facilities would temporarily generate noise in the areas south of the China Basin Channel. The construction activities for the parking lot installation would include demolition of metal and concrete structures on Lot E, site clearing and grubbing of the existing surface vegetation, removal of existing pavement, trenching for underground utilities, and installation of surface improvements and lighting. No pile driving would be necessary to construct the lots. The construction and demolition activities would be temporary, and the associated noise would occur intermittently throughout the duration of the construction period. The construction is scheduled to be completed before March 1, 2000. Construction noise is regulated by the *San Francisco Noise Ordinance* (Article 29 of the San Francisco Police Code).

The proposed parking would not cause noise impacts substantially different from those described in the Ballpark EIR.

G. Air Quality

Section IV.G of the Ballpark EIR (pp. IV.278-IV.279) discusses the air quality effects of construction and demolition activities. No substantial change in existing air quality environment and circumstances has occurred since certification of the Ballpark EIR. Construction of the parking facilities would temporarily generate emissions of fugitive dust and exhaust from operation of construction equipment. The construction and demolition activities would be temporary and would occur intermittently throughout the duration of the construction period. The construction is scheduled to be completed before March 1, 2000. To control the emissions of fugitive dust from construction of the proposed project, Mitigation Measure D.1 from the Ballpark EIR would be included with this project. (See mitigation measures included below.)

Potential effects of the interim parking project on regional air quality and air quality near congested intersections have been fully considered in Section IV.G of the Ballpark EIR. Because the parking project would implement the transportation mitigation measures included in the Ballpark EIR, the project would be consistent with the relevant mitigation measures regarding operational emissions. The Mission Bay South Redevelopment Plan would introduce hotel and residential uses to the vicinity of the parking lots. However, because the proposed parking project would include the relevant air quality and transportation-related mitigation measures, the project would not cause air quality effects substantially different from those described in the Ballpark EIR. The project would not result in new significant air quality impacts.

H. Seismicity

Seismic hazards are discussed in Section IV.H of the Ballpark EIR. Installation of the surface improvements and lighting would minimally affect the seismic environment of the project site. Subsurface conditions of the site include loose artificial fill that may range in depths of one foot to more than 45 feet, underlain by approximately 10 to 70 feet of soft, compressible, water-saturated, silty clay known as younger Bay Mud. Old piles, driven to support roadways,

buildings, storm drains, and sewer lines, may also exist in the project area west of Third Street.[18] The characteristics of the parking site in response to seismic hazards, such as groundshaking, liquefaction, lateral spreading, and tsunami are discussed in the Ballpark EIR. The site is in a State Seismic Hazards Zone for Liquefaction and the City's Special Geologic Study Area for potential ground failure hazards (liquefaction) and potential inundation hazards (tsunami).[19] Construction of the parking installation would be in conformance with applicable San Francisco Building Code provisions.

The proposed parking project would not cause impacts to geology and seismicity that would be substantially different from those described in the Ballpark EIR and would not result in any significant impacts.

I. Contamination and Environmental Risk

As described in the Ballpark EIR, the parking lot sites fall within the area of the City subject to Article 20 (Maher Ordinance) requirements. As a result, and because of extensive planning and research done for the Mission Bay South Redevelopment Plan, more information is known about subsurface contamination than was available when the Ballpark EIR was certified. This information, along with resulting actions to prevent unacceptable exposure to contaminants, are described below.

Summary of Known Soil and Groundwater Conditions

The project site is located south of China Basin Channel. As discussed in the Mission Bay SEIR (pp. V.J.6 - V.J.8), the project site was originally marshland and shallow tidal flats bordering San Francisco Bay. Areas south of the Channel were filled between 1869 and 1913. Fill materials included rock and dirt from the Second Street cut, serpentinite rock from nearby hills, and debris and rubble from the 1906 earthquake. A variety of commercial businesses and industries have also been located at the project site (Mission Bay SEIR, p. V.J.8). These activities included railroad operations, a lumber yard, warehousing, and

trucking facilities. Lots A and D are currently vacant and surround a roller hockey rink and an associated asphalt-paved parking area. Lot B/C is currently vacant, undeveloped land with several stockpiles of soil. Existing activities at Lot E include a variety of businesses. A more detailed description of historical and current site usage for each of the Assessor's Blocks on the proposed Lots A and D and B/C (Parcel 3813-1 and Parcel 3810-7, respectively) and part of the Lot E site (Parcel 3880-1) is presented in Table I.2 on pp. I.7 - I.8 and p. I.12 of the Mission Bay SEIR. Two underground storage tanks (USTs) were removed from Lot A/D in 1977.[20] Three USTs formerly located in the western portion of Lot B/C were removed in 1992, and the tank removals received regulatory closure (Mission Bay SEIR, Table I.3, pp. I.14 - I.15).

Groundwater elevations south of the Channel range from 2 to 10 feet below ground surface. Groundwater levels are more highly influenced by tides as distance to the Channel or San Francisco Bay decreases, particularly within 50 feet of the water (Mission Bay SEIR, p. V.J.3). At the Lot E site, wet soil was encountered in soil borings at depths between 4 and 7 feet.[21]

Lots A, D, and B/C

The area including Lots A, D, and B/C was previously investigated as part of comprehensive soil and groundwater studies prepared for the Mission Bay Project in 1997 (Mission Bay SEIR, pp. V.J.19 -V.J.20). The approach to the sampling program and the results of the Mission Bay 1997 soil and groundwater investigations were described in the Mission Bay SEIR (pp. V.J.20 - V.J.38). Results of soil sampling in Mission Bay South were summarized in Mission Bay SEIR Appendix Tables I.4 through I.10. Figures V.J.5 through V.J.8 (Mission Bay SEIR, pp. V.J.24 - V.J.28) show the locations of soil borings where various chemicals were detected and the concentrations of the chemicals. Results of groundwater sampling were summarized in Mission Bay SEIR Appendix Tables I.11 through I.15. Figures V.J.7 and V.J.9 through V.J.13 (Mission Bay SEIR pp. V.J.26 and V.J.29 - V.J.33) show the locations of monitoring wells where chemicals were detected and the concentrations of the

chemical. Site-specific conditions, based on the results of the 1997 Mission Bay investigation are summarized below.

During the 1997 Mission Bay study, soil samples from the Lots A, D, and B/C were collected and analyzed for volatile organic compounds (VOCs), semi-volatile organic compounds (SVOCs), total petroleum hydrocarbons (TPH), PAHs, pesticides and polychlorinated biphenyls (PCBs), metals, and pH (measure of acidity or alkalinity). VOC concentrations were "trace" to "non-detect." Petroleum hydrocarbons, PCBs, and pesticides were not detected above laboratory reporting limits. Low concentrations of PAHs were detected in several samples. Elevated metals concentrations, primarily lead, barium, nickel, arsenic, and zinc, were detected at various depths and locations, consistent with typical San Francisco fill material. Groundwater samples were analyzed for VOCs, SVOCs, TPH, metals, and pH. Concentrations were low to non-detect. As stated in the Mission Bay SEIR (p. V.J.43 and p. V.J.47), none of the chemicals detected in exposed surface soils or groundwater in Mission Bay South, which includes the project site, were detected at levels that would indicate any unacceptable risk to human health or the ecological environment under post-development conditions. Prior to and in conjunction with the 1997 Mission Bay investigation, a plume of petroleum free product and affected groundwater was delineated in Mission Bay South (SEIR, pp. V.J.10 - V.J.14 and pp. V.J.37 - V.J.40; and Figure V.J.14). The northernmost edge of the plume is approximately 2,000 feet southeast of the proposed Lot C location.

The Ballpark EIR did not identify mitigation measures applicable to soil or groundwater contamination on the interim parking lot sites but assumed compliance with Maher Ordinance requirements would reduce potential exposure risks to a level of non-significance. Potential risks to individuals who could be exposed to soil contaminants through inhalation of fugitive dusts, soil ingestion, or skin contact during construction activities were identified as part of the Risk Management Plan (RMP). Implementation of the Mission Bay RMP, which was approved by the Regional Water Quality Control Board in May 1999, would mitigate any exposure to contaminated soils and groundwater to a level of insignificance.

As required by Mission Bay SEIR Mitigation Measure J.1b, Interim Target Levels (ITLs) were developed to provide a basis for identifying locations where risk management measures would be appropriate during site development. The results of risk-based evaluations indicated that exposure to the chemicals present in native soils in the RMP area (which includes Lots A, D, and B/C) through the inhalation of fugitive dusts generated from natural wind erosion would not adversely affect the health of either current or future populations who may be present in or adjacent to the Mission Bay Project. In addition, mean chemical concentrations in surface soil were below the ITLs for long-term (i.e., 25 to 30 years) direct soil ingestion and skin contact exposure pathways. Certain locations within the RMP exceeded the ITLs, primarily because of metals concentrations. At the sites for Lots A, D, and B/C, lead and/or arsenic levels were greater than the health risk-based ITLs at four locations where soil samples were collected during the 1997 investigation (see Figure V.J.4 on p. V.J.22 of the Mission Bay SEIR).[22]

Soils testing required by Article 20 (cyanide, sulfide, fluoride, and methane) to supplement the data gathered during the 1997 Mission Bay investigation was performed in April 1999 for proposed lots A, D, and B/C.[23] Additional samples were collected at the request of the San Francisco Department of Public Health (SFDPH) and analyzed for arsenic and lead. Soil from one boring that appeared to have a petroleum hydrocarbon sheen was also analyzed for TPH. Concentrations of detected Article 20 constituents were below adopted standards and, for metals, were within the range of concentrations previously reported during the 1997 investigation. Concentrations of petroleum constituents in the one additional soil boring that DPH requested were low and also within the range of previously reported results.[24]

Lot E

Environmental assessments that included soils testing were performed in 1995-96 and 1997-98 for the Lot E site.[25] Results of the chemical analyses of soils collected from a boring in the western half of the Lot E site indicated low concentrations of TPH and elevated concentrations of several metals. The former H&H Shipping property located in the northeast

corner of the Lot E site was investigated in 1997-98. Several soil samples contained PAHs and metals; very low concentrations of some aromatic hydrocarbons and PCBs were detected in a few samples. Groundwater samples contained low to trace concentrations of several metals. Unfiltered groundwater samples contained low concentrations of several PAH compounds. No PCBs or VOCs were detected in groundwater.[26]

Additional soil testing was performed in April 1999 at Lot E to comply with Article 20 requirements for the proposed project. Chemical analyses included tests for VOCs, PAHs, pesticides, PCBs, metals, pH, asbestos, methane, cyanide, total sulfide, and fluoride. Toluene, ethylbenzene, xylenes, and 1,2,4-trimethylbenzene were detected in soils at low concentrations. Several PAHs were detected sporadically and at low concentrations. No pesticides or PCBs were detected in soil samples analyzed. Antimony, arsenic, barium, total chromium, cobalt, copper, mercury, molybdenum, and zinc concentrations exceeded representative background concentrations in a few samples. Lead and nickel concentrations exceeding background levels were detected more frequently. Asbestos, cyanide, fluoride, and sulfide were not detected in samples analyzed. Groundwater samples did not contain detectable concentrations of PAHs. No VOCs other than carbon disulfide at low concentrations were reported.[27] Metals were detected in the groundwater samples at low levels. Based on the chemical analyses, total metal and organic concentrations are less than the Total Threshold Limit Concentrations (TTLCs) for designation as California Hazardous Waste. Additional solubility testing of some metals (e.g., lead) would be required by disposal facilities to better assess the waste profile for any soil transported off-site.[28]

A Health Risk Assessment (HRA) was prepared for the Lot E site to evaluate the potential human health risks associated with the presence of chemicals in soil and groundwater.[29] The results of the HRA indicated that the presence of chemicals in soil and groundwater at the Lot E site would not pose an unacceptable non-carcinogenic or carcinogenic risk to future on-site construction workers and visitors. Based on these results, the HRA concluded that potential risks to nearby residents during construction and to future on-site maintenance workers,

parking facility users and workers, and occasional trespassers would not exceed acceptable levels.[30]

Approach to Soils and Groundwater Management During Construction

Lots A, D, and B/C

Site preparation for Lots A and D would require clearing and grubbing and removal of existing pavement. Site preparation for Lot B/C would also require clearing and grubbing of the existing surface vegetation. A large soil stockpile currently present on Lot B would be incorporated into the parking lot development. The stockpiled soils were previously characterized in conjunction with the King Street Light Rail Project. Soils were analyzed for metals and PAHs. Reported concentrations of metals and PAHs were within the range of concentrations detected in Mission Bay soils during the 1997 Mission Bay investigation. Installation of the site storm drain collection system and connection to the box culvert would involve shallow excavations and trenching. Shallower (approximately 2 to 4 feet) trenches would be excavated for the installation of electrical conduits. These activities would result in the disturbance of the existing soil cover, and, depending on the depth of trenching, could encounter shallow groundwater at Lots A, D, and B/C.

Consistent with the RMP, portions of the construction site within Mission Bay South (Lots A, B/C, and D) would be fenced to limit pedestrian or vehicular entry, except at controlled points. In addition to fencing, appropriate signs would be posted to inform individuals that access to the fenced areas is illegal. Fencing would remain until exposed soils are covered. The fenced area would be periodically inspected.

In accordance with the RMP, contractors would implement a variety of dust control measures during construction to minimize and control the generation of dust. Effective dust control would reduce potential effects on construction workers, and would simultaneously control nuisance dust and potentially contaminated dust from migrating outside of the construction

area to surrounding locations. Dust control measures would control dust that may be generated from excavation and trenching, grading, truck loading, truck traffic, and soil stockpiles. Dust control measures recommended by the Bay Area Air Quality Management District (BAAQMD) would be implemented, e.g., soil stockpiles would be sprayed with water or covered to control dust. Monitoring of dust levels during construction would be performed if the duration of the construction project is to extend for more than 4 weeks or if the distance of the nearest receptor relative to the size of the construction site meets criteria set forth in the RMP. If dust levels are exceeded, additional dust suppression measures would be implemented.

The RMP requires development of a Storm Water Pollution Prevention Plan (SWPPP) for Lots A, B/C, and D to reduce or eliminate off-site discharges of sediments during construction activities, which would also minimize the potential for chemicals in soil, if any, to be released in an uncontrolled manner. Best Management Practices (BMPs) appropriate to the type and duration of construction would be implemented as part of the SWPPP. The BMPs would effectively control erosion from stockpiled soils and graded areas where soils are exposed. In addition to the use of water for dust suppression and covering of soils, stockpiled soils would be surrounded by hay bales and/or silt traps to minimize sediment runoff, if the piles are uncovered during the rainy season. Stockpiled soils would be inspected quarterly to ensure the integrity of the selected BMPs and corrective action would be taken as necessary.

The project has been designed to minimize the generation of excess soil. Therefore, soil requiring off-site disposal is not anticipated. If excess soil is generated and the soil cannot be used elsewhere within the project site, the soil would be tested to determine appropriate disposal options. On-site management and off-site transport and disposal of the soil would be conducted in accordance with all applicable state and federal laws, which are summarized in the Mission Bay SEIR (pp. V.J.53 - V.J.54). Any excavated soils that are reused within the project site would be covered by asphalt upon project completion; therefore, additional testing or controls would not be necessary. Landscaped areas (e.g., fenced locations with drought-tolerant vines) would be covered with one foot of clean soil, which would preclude direct

access to native soils. Grassy swales, if installed, would either be covered with one foot of clean soils or fenced, to prevent direct access to native soils.

The RMP identifies measures that should be implemented to manage groundwater so that installation of utility trenches below the surface of the groundwater does not inadvertently create horizontal conduits that could result in preferential pathways for groundwater flow within the RMP area (Lots A, B/C, and D). Procedures to minimize the accumulation of potentially contaminated groundwater or the migration of defined plumes during construction dewatering are also included in the RMP. Because of the design and depth of the storm drain system features that would be installed underground in the site for Lots A and D, material that is less permeable than the surrounding soil would be placed at 300-foot intervals along the storm drain trenches to prevent the creation of a possible conduit as appropriate and required by the RMP. No defined contaminated groundwater plumes have been identified at the project site.

The volume of water that could require extraction during trenching is expected to be minimal, and the extraction would be of short duration. Therefore, simple dewatering methods, such as those employed through the use of a sump pump, would be sufficient to prevent groundwater from accumulating in the trenches and would not significantly affect contaminant levels in groundwater or the extent of the free product plume.[31] As discussed in the Mission Bay SEIR (p. V.J.79), groundwater removed during dewatering would be disposed of into the City's combined sewer system, which would require a discharge permit from the City. In the event that direct discharge to surface water is determined to be appropriate, permits issued by the RWQCB under the National Pollutant Discharge Elimination System (NPDES) would be required. In either case, the types and amounts of contaminants, if any, that could be released to surface water either indirectly through the combined sewer system or as a result of direct discharge would be minimized to the extent required by law.

Because of the potential for encountering previously unidentified buried debris or contamination, construction personnel would be trained to recognize potential hazards and to

implement necessary actions described in the RMP, should there be such an occurrence. The specific action that would be taken would depend on the nature of the hazard and potential for human or ecological exposure.

Lot E

Following demolition of existing structures (see below), clearing and grubbing would occur on Lot E, which would disturb subsurface soils. Lot E (Port property) is not within the Mission Bay Project area; therefore, it was not addressed in the Mission Bay SEIR and the Mission Bay RMP. Although concentrations of chemicals detected in Lot E soils do not present a health risk and do not exceed Article 20 criteria for site mitigation measures, a Soil Management Plan (SMP) for Lot E was prepared as a prudent measure to control dust and minimize erosion. The SFDPH determined that the SMP complies with the applicable requirements of the San Francisco Health Code.[32] The SMP describes requirements for soil handling, stockpiling, dust control and erosion minimization, site access and security, and, if necessary, soil disposal during construction activities. The SMP also addresses soil management following project construction for the duration of the use of the Lot E site as a parking lot. The same dust-control measures required by the RMP for Lots A, B/C, and D would be carried out on Lot E, except for dust monitoring, because the site-specific risk assessment for Lot E showed that dust monitoring was not necessary.

An Erosion Control Plan would be developed by the site contractor prior to initiation of site work that details procedures for minimizing erosion. The Erosion Control Plan for Lot E would mirror the SWPPP developed under the RMP for Lots A, B/C, and D. These measures would comply with NPDES General Construction Stormwater Permit requirements, including the preparation of a SWPPP, as is required for Lots A, D, and B/C.

Similar to Lots A, B/C, and D, some dewatering may be necessary at the Lot E site; however, excavations would be shallow and of short duration. No contaminated groundwater plumes exist in the Lot E vicinity. Consequently, dewatering, if any, would not cause chemical-

affected groundwater from the free product area to migrate toward the extraction location, or to affect the current extent of chemical constituents detected in groundwater. Barriers to control potential horizontal migration of groundwater would not be necessary at the Lot E site because constituents in groundwater do not present an unacceptable health or ecological risk, and the layout of underground utility lines at that site would not have any direct connections to receiving water locations that could be affected by groundwater migration.[33]

Implementation of the RMP measures and SMP described above would ensure that potential health and environmental hazards associated with contaminants in soil or groundwater at the project site would not exceed agency-adopted risk-based criteria and would be consistent with applicable Mission Bay SEIR mitigation measures. Therefore, the proposed project would not result in any significant impacts related to soil or groundwater contamination.

Approach to Building Demolition

Lot E contains a collection of metal and concrete structures used for trucking and storage, among other uses. Site preparation for Lot E would require demolition and removal of existing structures. Hazardous wastes that could be generated from demolition activities include asbestos, lead paint on building surfaces, mercury in lighting fixtures, and PCBs. To reduce potential human exposures to acceptable levels and to protect the environment, the project would be required to comply with several regulations and guidelines pertaining to abatement of and protection from exposure to asbestos and other potentially hazardous demolition debris, as discussed in the Ballpark EIR (p. IV.287). These regulations were summarized in the Ballpark EIR (pp. III.157 - III.158, IV.287, and IV.300a - IV.303).

Post-Construction Controls

Consistent with the post-construction controls identified in the approved RMP, upon project completion, Lots A, B/C, and D would be covered with impervious surfaces. Landscaped areas would be covered with one foot of clean fill. Grassy swales, if constructed, would

either be covered with one foot of clean soil or be fenced. With the exception of future maintenance work on subsurface utility systems, this would preclude parking lot users and employees from direct contact with underlying native soils, as required by the Mission Bay RMP and the Parking Lot E SMP. Due to the nature of the proposed project, there would be no access to native soils for private use or use of groundwater. As required by the RMP, landscaped areas (including grassy swales, if incorporated into project design) and paved surfaces would be inspected to verify that prolonged direct contact with native soils would not occur. Repairs would be made as necessary. If maintenance, construction, or repair work results in soil disturbance, the location would be covered with pavement or asphalt, or in landscaped areas, with a minimum one foot of fill.

Post-construction controls for Lot E identified in the SMP include periodic inspections of swales (if incorporated into project design) to observe the condition of the grass cover. Large areas of exposed soil (e.g., areas larger than several feet in diameter) would be reseeded as quickly as practical. A log of parking area inspections would be maintained and would include written comments on the condition of the grass cover, areas requiring repairs, and repair dates. Similar to measures identified in the RMP, annual inspections of the paved areas would be performed to observe whether breaches in the pavement that may allow prolonged access to site soil are visible. If observed, the breach would be repaired such that the soil cover is maintained. Results of the annual inspections of the paved parking areas would be documented in the inspection log. Due to the nature of the proposed project, there would be no access to native soils for private use or use of groundwater.

Summary

Because of extensive planning and research done for the Mission Bay South Redevelopment Plan and testing performed in accordance with Article 20 requirements, more information is known about subsurface contamination at Lots A, D, B/C, and E than was available when the Ballpark EIR was certified. This new information indicates the proposed project would not result in any new or substantially different soil or groundwater contamination-related impacts

that were not previously evaluated in the Ballpark EIR and Mission Bay SEIR. Implementation of applicable measures identified in the Mission Bay RMP for Lots A, D, and B/C, the SMP for Lot E, and SWPPP requirements would be adequate to address contamination and environmental risk issues. Therefore, impacts would be less than significant, and additional mitigation is not required.

J. Water Quality and Aquatic Ecology

The Ballpark EIR discusses water quality and aquatic ecology issues related to proposed parking areas south of China Basin Channel.[34] The present parking lot proposal has been further defined since preparation of the Ballpark EIR. The discussion below focuses on how the current parking lot design incorporates identified mitigation measures. A subsequent discussion shows how the current proposal incorporates the analysis and mitigation measures contained in the Mission Bay SEIR.

The Ballpark EIR describes the potential water quality impact of the parking lots as follows:[35]

> Drainage from the parking areas south of the Channel would contain typical urban pollutants such as oil and grease, heavy metals, metals from car brake pads, glycol, and antifreeze. If storm water from the parking areas containing these pollutants drains directly into the Bay with little or no treatment, the amount and type of pollutants would be similar to that generated by similar urban areas in the San Francisco Bay region. Drainage improvements would be provided for the parking areas, but no specific drainage design is available. A mitigation measure on p. V.70 requires that drainage improvements for the parking areas be designed such that all drainage from the parking areas be collected for treatment before discharge into the Bay.

Implementation of Ballpark EIR Mitigation Measures

To mitigate the potential impact of pollutants and litter, the Ballpark EIR includes a number of mitigation measures.[36] These measures would be addressed in the present proposal as follows.

Litter Control

Mitigation Measure F.7 from the Ballpark EIR requires the sponsor to place trash receptacles, regularly collect trash, provide public notices, and skim the surface of China Basin Channel. (See Section V, Mitigation Measures, "Water Quality and Aquatic Ecology," for the text of the measure.) CBBC or Imperial would be required to implement this measure.

Treatment of Stormwater Runoff

Mitigation Measure F.8 requires that no stormwater runoff would directly enter China Basin Channel or the Bay without treatment. It envisions that the stormwater would be treated at the SEWPCP. It also requires that if storm water inlets are provided at the parking areas, oil/water separators should be installed at each inlet.

Regarding the oil/water separator requirement, under both Options A and B, the catchbasins would act as oil/water separators because each would have an oil sorbent material filter at the inlet, and they would also have an inverted outlet pipe that would act as an outlet oil trap. To be effective at removing oil, the catchbasin must be cleaned regularly and the filters must be changed regularly. The Stormwater Management Plan would require that the parking lot operator would be responsible for these activities.

Turning to the treatment-before-discharge requirement, under both Options A and B, a majority of stormwater would be treated at the Southeast Water Pollution Control Plant. Stormwater would flow to the Channel Transport/Storage Box and ultimately to the SEWPCP for secondary treatment (including oil and grease removal).

Under Option A, during large storms, on an average of 10 times per year, stormwater would flow to two liquid/solid separator treatment units and then be discharged to the Channel. The liquid/solid separator would remove a large portion of particulates from the stormwater, including pollutants that tend to adhere to the particulates.[37] An oil/water separator bag at each

of the two liquid/solid separator treatment units would serve as a second device in the system for removing oil and grease.

Under Option B, stormwater would be detained on-site until it could flow to the Channel Transport/Storage and subsequently to the SEWPCP. In the event that the swales became full, during a heavy storm approximately as big as the 5-year storm or bigger, the excess stormwater would flow to the liquid/solid separator units (including oil/water bags) for treatment and discharge, as described under Option A. Treatment and discharge to the Channel would occur less often under Option B than under Option A.

Thus, under either Option A or B, the stormwater would be treated at either the SEWPCP or the liquid/solid separator treatment units prior to discharge to the Bay or Channel.[38]

Table 2 summarizes stormwater flows under existing conditions and with the two drainage options being considered for the proposed parking lots. Under existing conditions, drainage from certain areas of the proposed parking lot sites does not flow to the combined sewer system. About 7 million gallons per year (MG/yr) is discharged from these areas directly to China Basin Channel and San Francisco Bay without treatment. Combined sewer system operations currently result in average annual overflow volumes of about 905 MG/yr. These overflows are dispersed along the bayside portion of the City and are not localized at any particular location in China Basin Channel or elsewhere in San Francisco Bay.

With drainage Option A, about 19.6 MG/yr of stormwater would run off the proposed parking lots. Of this amount, as shown in Table 2, about 6.2 MG/yr (about 32%) would be discharged to China Basin Channel during relatively large storms, following treatment as described above. The majority of the stormwater (about 68%), generated during smaller storms and the initial phases of larger storms, would be sent to the combined sewer system for treatment at the Southeast Water Pollution Control Plant. The average volume of combined sewer overflows would remain about the same as the existing volume (i.e., the volume would be about 904.4 MG/yr compared to the existing volume of 905 MG/yr). The project would not increase

Table 2:
Volumes of Stormwater Discharges, Combined Sewer Overflows, and Treated Effluent Under Various Scenarios

Scenario	Average Annual Stormwater Discharge to Channel and Bay (MG/yr) /a/ [C]	Average Annual Volume of Combined Sewer Overflows (MG/yr) /b/ [D]	Average Annual Volumes of Effluent (MG/yr) /c/
Base Case (Existing Conditions with Ballpark but without Parking)	7.0	905	30,200
Parking Lot Drainage Option A (Existing Conditions with Ballpark and Parking)	6.2	904	30,204
Parking Lot Drainage Option B (Existing Conditions with Ballpark and Parking)	/d/	/d/	/d/
Ballpark EIR Scenario (Not Proposed)	0	910 /e/	30,204

/a/ Stormwater flow is only from parking lot project site.

/b/ Combined sewer overflow volume represents all bayside facilities.

/c/ Effluent discharged means effluent from the Southeast Water Pollution Control Plant and North Point Water Pollution Control Plant.

/d/ The average annual stormwater discharge to China Basin Channel would be less than for Option A, depending on the storage capacity of the swales. The average annual volume of combined sewer overflows would be about the same as for Option A. The average annual volume of effluent would be somewhat greater than for Option A, depending on the storage capacity of the swales.

/e/ The Mission Bay SEIR analysis uses the Ballpark EIR scenario as its base case. This assumption leads to the most conservative estimate of combined sewer overflow volumes. The Mission Bay SEIR project description anticipated that detention basins could be employed to reduce the combined sewer overflow volumes, but the impact analysis did not assume they would be constructed.

Sources of Columns A and B: Ballpark EIR, pp. IV.325-IV.325a; Mission Bay SEIR, pp. III.16-III.19.
Source of Columns C and D: Chris Phanartzis, Hydroconsult Engineers, "Giants Parking Lot Drainage – Revised Hydrologic Analysis," memorandum to Beth Goldstein, San Francisco Public Utilities Commission, May 26, 1999.

combined sewer overflows because, during small storms, capacity already exists within the combined sewer system to manage all stormwater. About 4 MG/yr of additional stormwater flows would be sent to the SEWPCP for treatment under this Option.

With drainage Option B, about 19.6 MG/yr of stormwater would run off the proposed parking lots. Of this amount, less stormwater would be discharged to China Basin Channel during relatively large storms, than under Option A, because it would be stored on-site until the City system could handle it. All of the stormwater generated during smaller storms and the initial phases of larger storms, would be sent to the combined sewer system for treatment at the Southeast Water Pollution Control Plant. The average volume of combined sewer overflows would remain about the same as the existing volume, or about 905 MG/yr. The project would not increase combined sewer overflows because the on-site storage would delay the stormwater from reaching the City's combined sewer system, during major storms.

Table 2 includes one additional scenario for comparison purposes, corresponding to the Ballpark EIR. Mitigation Measure F.8 in the Ballpark EIR directs that stormwater be conveyed to the combined sewer system. Therefore, in the "Ballpark EIR scenario," all stormwater from the parking lots flows to the combined sewer system, and none is discharged to China Basin Channel or San Francisco Bay. Because no on-site storage is assumed, the combined sewer overflow volume rises to about 910 MG/yr, which is about 5 MG/yr more than the existing volume. The Ballpark EIR acknowledges that this could increase combined sewer overflows but did not find this increase to be a significant environmental effect.[39] The Ballpark EIR scenario was used as the "Base Case" for the Mission Bay analysis.[40]

With the current parking lot proposal, water quality impacts could be somewhat different than those contemplated in the original Ballpark EIR analysis.[41] Compared to existing conditions, Option A would not substantially affect combined sewer overflow volumes; they would decrease from about 905 MG/yr to about 904.4 MG/yr. Option A would also decrease stormwater discharges to China Basin Channel and San Francisco Bay in the vicinity of the project from about 7 MG/yr to about 6.2 MG/yr. The result would be an increase in the

amount of stormwater treated at the Southeast Water Pollution Control Plant. Existing stormwater discharges receive no treatment. The stormwater discharged to China Basin Channel under the project would be treated with continuous deflection separation or a roughly equivalent technology to remove some pollutants (mostly suspended solids).

Compared to the Ballpark EIR scenario, Option A would result in about 5.6 MG/yr less combined sewer overflow through the bayside discharge locations and about 6.2 MG/yr more stormwater discharge to China Basin Channel. Whereas the volume of stormwater discharged would be somewhat greater than the volume of combined sewer overflows avoided, the quality of the stormwater would probably be better in some respects than the quality of the combined sewer overflows, particularly due to the sanitary sewage component present in the overflows. Furthermore, the treatment provided for the stormwater discharges would be at least as effective at removing particulate matter (i.e., suspended solids) as the treatment afforded the combined sewer overflows. Since the level of treatment would be roughly equivalent, and the difference between the increased stormwater volume and the decreased combined sewer overflow volume is roughly equivalent, the net difference in water quality is believed to be minimal.

Compared to existing conditions, Option B would not substantially affect combined sewer overflow volumes. Option B would also eliminate much of the existing 7 MG/yr of stormwater discharges to China Basin Channel and San Francisco Bay from the site. The result would be an increase in the amount of stormwater treated at the Southeast Water Pollution Control Plant. Existing stormwater discharges receive no treatment, but with Option B, the stormwater would be treated at the Southeast Water Pollution Control Plant. Stormwater temporarily stored in swales during heavy storms would also benefit from the proposed grasses and other landscaping in the swales. During storage, the flow of water would slow, some particles could settle, and some could be trapped in the grassy swales. In rare events, stormwater could be discharged directly to the Bay through a liquid/solid separation treatment unit. By maximizing the use of existing capacity within the combined sewage treatment system, this option minimizes pollutant loads to the waters of San Francisco Bay.

Compared to the Ballpark EIR scenario, Option B would result in less combined sewer overflow through the bayside discharge locations and somewhat more stormwater discharge to China Basin Channel.

Under both options, total flows to the SEWPCP would increase slightly. Some members of the public have expressed concerns about sending increased flows to SEWPCP (even if there is no resulting increase in CSO volumes), because the plant has experienced odor problems and is situated in a low-income, minority community. The odor problems have been due to wastewater treatment processes at the plant.[42] There has also been some localized flooding in the surrounding neighborhood in recent years. The flooding problems have been due to undersized or hydraulically inadequate local sewer capacity.[43] The proposed project's contribution to additional flows to the SEWPCP would have no effect on local sewer capacity and an insignificant effect on wastewater treatement processes at the SEWPCP. The City is undertaking programs to deal with both the localized sewer flooding and the odor issues.

As indicated above, the options would result in less change to existing conditions than would the original Ballpark EIR scenario. For this reason, the project would not result in significant new water quality impacts not already discussed in the Ballpark EIR and addressed by adopted mitigation measures.

Monitoring of Pacific Herring Spawning

The proposed parking lots would include a storm water outfall to the China Basin Channel that would consist of one twin 36 inch outfall, armored with rip-rap all of which would occupy an area of approximately sixteen feet wide by ten feet. Construction of the outfall would require minor excavation of the Channel slope only to provide adequate stability for the rip-rap placement. In Section IV.J, Water Quality and Aquatic Ecology, the Ballpark EIR envisioned bulkhead repair activities and turbidity caused by pile-driving in the China Basin Channel during reconstruction of the pier and bulkhead, and a previous addendum to the Ballpark EIR regarding construction and operation of a passenger vessel terminal at the mouth of China

Basin Channel discusses the water quality effects of the related shoreline stabilization and improvements.

Construction of the outfall would cause similar effects to water quality in a new location on the south slope of the China Basin Channel. Construction activities within the China Basin Channel, whether related to bulkhead repair or outfall construction, would stir up sediment and create turbidity. Turbidity could have an adverse effect on spawning of Pacific herring during the winter spawning season from December through March.[44] The intent of mitigation measure F.2 in the Ballpark EIR (for tugboat berthing wear) is to require monitoring to mitigate impacts on Pacific herring spawning for construction-related activities in the Channel. The parking project would be required to conform to this measure for the construction of the outfall and placement of rip-rap. Section V contains an amended Mitigation Measure F.2 to clarify its application to outfall construction.

In addition, Ballpark EIR Mitigation Measure F.3 requires a silt curtain to be placed around areas of construction in the Channel (tugboat berths and pile-driving activities are specifically mentioned) to mitigate impacts on herring spawning if construction occurs during the herring spawning season. The proposed outfall construction would be required to have a silt curtain. Section V contains an amended Mitigation Measure F.3 to clarify its application to outfall construction.

With the implementation of Mitigation Measures F.2 and F.3, as amended, no significant impacts on herring spawning would occur.

Storm Water Pollution Prevention Plan

The Ballpark EIR recognized that construction of the parking lots would require a Storm Water Pollution Prevention Plan (SWPPP) to prevent erosion and sedimentation impacts. Because this is a mandatory program, the SWPPP was not identified as a mitigation measure in the

Ballpark EIR. The project would implement an SWPPP for construction activities. The project sponsor has agreed to implement an SWPPP that includes specified BMPs.

Applicable Mission Bay SEIR Mitigation Measures

The Mission Bay SEIR evaluated the water quality impacts of the parking project as an interim use. Relevant measures from the Mission Bay SEIR include, in summary:[45]

- Implementing a Storm Water Pollution Prevention Plan for construction,
- Implementing a Stormwater Management Program for new development,
- Avoiding increases in the average annual volume of combined sewer overflows,
- Using alternative technologies to treat stormwater discharges to China Basin Channel.

As indicated above, the parking project would have a Storm Water Pollution Prevention Plan to control erosion during construction activities and a Stormwater Management Program during operation, thereby satisfying Mission Bay SEIR Mitigation Measures K.1 and K.5. The Storm Water Pollution Prevention Plan would contain, at a minimum, at least the components listed in Mission Bay SEIR Mitigation Measure K.1.

Mitigation Measure K.3 requires sewer improvements such that potential flows to the City's combined sewer system from the project do not contribute to an increase in CSOs as projected by the Bayside Planning Model. Option A accomplishes this by adopting a scheme that is similar to the ultimate build-out sewer system for Mission Bay, i.e., by separating the stormwater from the sanitary sewage, and discharging the stormwater to the Channel after treatment. Option B accomplishes Mitigation Measure K.3 by providing on-site storage to delay stormwater discharges to the City's combined sewer system. (The Mission Bay SEIR assumed bermed detention basins, and Option B replaces those with stormwater drainage swales.)

Mitigation Measure K.4 requires alternative technologies or other means to reduce settleable solids and floatable materials in stormwater discharges to China Basin Channel to levels equivalent to, or better than, City-treated combined sewer overflows. One of the acceptable alternative technologies listed is the vortex sediment system and another is catch basin filters. (See Mitigation Measure K.4 in Section V.) Both of these technologies would be implemented under both Options A and B; therefore, this mitigation measure would be met.

K. Growth Inducement

Appendix A, pp. A.16-A.19, of the Ballpark EIR discuss the project's population growth and potential environmental effects. The proposed parking installation does not include residential uses or any other features that would contribute to a change in permanent (or resident) population, in either the vicinity of the project, in the City, or in the region as a whole. The operation phase of the proposed ballpark is estimated to require up to 1,300 part-time jobs during home baseball games. As discussed in the Ballpark EIR, operation of the proposed parking installation would be expected to require a fraction of these part-time workers. The proposed parking project would not cause impacts to population and growth that would be substantially different from those described in the Ballpark EIR and the Mission Bay SEIR and would not result in any new significant impacts.

Mitigation Measures

The following measures from the Ballpark EIR would apply to the parking lot proposal and have been or would be made conditions of approval.

A. Visual Quality and Lighting

Parking Area Lighting

A.1 The parking area lighting shall be designed to minimize off-site glare. The design could include 45-degree cutoff angles on light fixtures to focus light within the site, and specifications that spill lighting from parking areas would be 0.25 foot-candle or less at 5 ft. from the property line of the parking areas.

B. Transportation

Mitigation Measures B.1, B.2, and portions of B.3, B.7, and B.9, would be applicable to the interim parking lots. The project includes the following measures as adopted by the Port of San Francisco for Lot E, and the Giants, Imperial and the City would ensure that these measures are implemented as part of parking lot operations.

Ballpark Transportation Coordination Committee

B.1 Participate and cooperate with the Ballpark Transportation Coordinating Committee ("BTCC") which will be formed to implement and monitor the operation of the transportation mitigation program.

Transportation Management Plan

B.2 Participate on an ongoing basis in the BTCC's efforts to implement and monitor the Transportation Management Plan ("TMP").

Transit Incentive Program

B.7 Ballpark parking should be priced at a relatively high level, to encourage transit use.

B.3 Traffic Routing Plan

The Traffic Routing Plan in the Ballpark EIR, as adopted by the City,[46] is to be implemented by the Ballpark Transportation Coordinating Committee (BTCC), with monitoring by the Port, the Department of Parking and Transportation, the Department of Public Works, and the BTCC. Of Mitigation Measure B.3 regarding traffic routing, the following applies to the interim parking lots.

1) Direct non-project traffic to alternate routes to allow project traffic and other local traffic to use the streets leading to the ballpark and ballpark parking.

2) Discourage traffic intrusion into nearby residential neighborhood areas to the maximum extent feasible.

3) Maintain a reasonable level of access to all properties in the project area.

4) Provide motorists with traffic detour and alternate route information prior to arrival in the ballpark vicinity.

5) Disperse ballpark traffic quickly after games to a variety of traffic routes.

6) Flexibly accommodate traffic conditions as they change due to different types and sizes of events at different times of year, different days of the week, and different times of day.

Specific traffic routing measures shall include the following:

- Post parking attendants on Third Street north of Fourth Street and on Fourth Street near Third, before a game, to form an entrance to the designated ballpark parking area.

- Place a temporary "Local Traffic Only" sign on Sixth Street at the Sixteenth Street intersection to discourage attempts to use Sixth Street as a bypass around the Third Street detour.

- Reserve a lane for transit vehicles only on Third Street, and use traffic cones to keep pedestrians out of the transit lane.

B.9 Public Information Outreach Programs

Develop public information outreach programs that shall include the following types of actions:

- Work with transit and private parking operator and game ticket distributors to offer transit and parking passes when fans purchase tickets.

C. Air Quality

The following mitigation measure for dust controls includes the BAAQMD's basic feasible control measures from the Ballpark EIR.

Construction

D.1 Construction PM_{10}

Require contractors to implement the following mitigation program, developed from the Bay Area Air Quality Management District (BAAQMD) master list of feasible PM_{10} control measures, at all construction sites of the proposed project:

- Water all active construction areas at least twice a day, or as needed to prevent visible dust plumes from blowing off-site:
- Use tarpaulins or other effective covers for on-site storage piles and for haul trucks that travel on streets:
- Pave, apply water three times daily, or apply (non-toxic) soil stabilizers on all unpaved parking areas and staging areas at construction sites:
- Sweep all paved access routs, parking areas, and staging areas daily (preferably with water sweepers):
- Sweep streets daily (preferably with water sweepers) if visible amounts of soil material are carried onto public streets: and
- The BAAQMD recommends suspending excavation and grading on large construction sites when high winds cause visible blowing dust. This measure would be included by the project sponsor as a condition of the construction contract.
- Obtain reclaimed water from the Clean Water Program for dust control purposes during construction.

D. Cultural Resources

Subsurface Resources

G.1 Given the location and depth of excavation proposed, and the likelihood that archaeological resources would be encountered on the project site, the sponsor has agreed to retain the services of an archaeologist. The archaeologist would carry out a pre-excavation testing program to better determine the probability of finding cultural and historical remains. The testing program would use a series of mechanical, exploratory borings or trenches and/or other testing methods determined by the archaeologist to be appropriate.

If, after testing, the archaeologist determines that no further investigations or precautions are necessary to safeguard potentially significant archaeological resources, the archaeologist would submit a written report to the Environmental Review Officer (ERO), with a copy to the project sponsor. If the archaeologist determines that further investigations or precautions are necessary, he/she shall consult with the ERO and they shall jointly determine what additional procedures are necessary to minimize potential effects on archaeological resources.

These additional mitigation measures would be implemented by the project sponsor and might include a program of on-site monitoring of all site excavation, during which the archaeologist would record observations in a permanent log. The monitoring program, whether or not there are finds of significance, would result in a written report to be submitted first and directly to the ERO, with a copy to the project sponsor. During the monitoring program, the project sponsor would designate one individual on site as his/her representative. This representative would have the authority to suspend work at the site to give the archaeologist time to investigate and evaluate archaeological resources should they be encountered.

Should evidence of cultural resources of potential significance be found during the monitoring program, the archaeologist would immediately notify the Environmental Review Officer (ERO), and the project sponsor would halt any activities which the archaeologist and the ERO jointly determine could damage such cultural resources. Ground-disturbing activities which might damage cultural resources would be suspended for a total maximum of four weeks over the course of construction.

After notifying the ERO, the archaeologist would prepare a written report to be submitted first and directly to the ERO, with a copy to the project sponsor, which would contain an assessment of the potential significance of the find and recommendations for what measure should be implemented to minimize potential effects on archaeological resources. Based on this report, the ERO would recommend specific additional mitigation measures to be implemented by the project sponsor. These additional mitigation measures might include a

site security program, additional on-site investigations by the archaeologist, and/or documentation, preservation, and recovery of cultural material.

Finally, the archaeologist would prepare a report documenting the cultural resources that were discovered, an evaluation as to their significance, and a description as to how any archaeological testing, exploration and/or recovery program was conducted.

Copies of all draft reports prepared according to this mitigation measure would be sent first and directly to the ERO for review. Following approval by the ERO, copies of the final report(s) would be sent by the archaeologist directly to the President of the Landmarks Preservation Advisory Board and the California Archaeological Site Survey Northwest Information Center. Three copies of the final archaeology report(s) shall be submitted to the Office of Environmental Review, accompanied by copies of the transmittals documenting its distribution to the President of the Landmarks Preservation Advisory Board and the California Archaeological Site Survey Northwest Information Center.

No specific locations of archaeological sensitivity are identified; however, ship and boat remains could be buried almost anywhere in the project area. Because of this sensitivity, locations where construction excavation would take place, that otherwise are not subject to archaeological investigation, would be subject to archaeological monitoring.

E. Water Quality and Aquatic Ecology

Monitoring of Pacific Herring Spawning

F.2 (modified)

Specify in construction contracts that if outfall construction activities are scheduled during the peak spawning season of December 1 to March 1 the following conditions must be fulfilled:

- A professional fisheries biologist, or other individual sufficiently competent to identify herring spawning activity, would monitor the project site daily at any time during outfall construction activities.

- In the event that the on-site biologist or qualified staff person detects herring spawning at, or within 200 meters of the proposed outfall location, the biologist or qualified staff person would immediately notify the Environmental Review Officer and the parking construction manager who would cease outfall construction activities for a minimum of 14 days or until the on-site biologist determines that the hatch has been completed and larval herring have left the site. Construction activities may be resumed thereafter.

Silt Curtain For Outfall Construction

F.3 Ensure that an underwater silt curtain be used to surround areas of the outfall that are scheduled for construction during the peak spawning season.

[Source: Ballpark EIR, Addendum for Passenger Vessel Terminal at China Basin.]

Litter Control

F.7 Prevent litter generated by waterfront areas associated with the ballpark from entering China Basin Channel by the placement of trash receptacles, regular collection of trash, public notices, and regular skimming of the surface of China Basin Channel. Trash receptacles shall be conveniently placed and widely available for public use along the Port Walk, the Lefty O'Doul and Peter Maloney bridges, and in all of the South of Channel parking lots proposed to be dedicated for ballpark use. Receptacles shall be emptied regularly and trash picked up regularly so overflows of garbage in those areas are minimized. Trash collection shall occur before and after games, and as needed during non-game times. Specific maintenance staff shall be assigned to perform trash collection along the Port Walk. Signs or warnings shall be posted along the bridges and Port Walk to encourage users of the ballpark to dispose of litter properly. Signs or warnings shall also be posted at the South of Channel parking lots.

Provide maintenance staff and resources to skim the Channel edges east of the Lefty O'Doul Bridge and the Bay shoreline adjacent to the South of Channel parking lots at frequent and regular intervals. Because floating litter tends to drift, skimming would be needed along the entire length of the Channel, at the mouth of the Channel, and in the areas along the Bay shoreline adjacent to the South of Channel parking areas.

Capture of Storm Water on South of Channel Parking Areas

F.8 Design and construct drainage improvements for the South of Channel parking areas such that no storm water runoff would directly enter China Basin Channel or the Bay without treatment. Drainage improvements would convey collected rainwater to City sewers for treatment at the Southeast Water Pollution Control Plant. If storm water inlets are provided at the parking areas, install oil/water separators at each inlet.

F. Applicable Mitigation Measures From the Mission Bay SEIR

In addition to applicable Ballpark EIR measures, the current parking proposal would be required to comply with requirements of the Soil Management Plan developed under Article 20 for Lot E and the RMP approved by the Regional Board, which also satisfies Article 20 requirements for Lots A, B/C, and D. The following mitigation measures from the Mission Bay SEIR apply to

Parking Lots A through D under the Mission Bay project. For purposes of the ballpark parking project, the project sponsor has voluntarily incorporated these measures as project features so they would be implemented at all of the parking lots, including Lot E (with the exception of all RMP features, as explained below).

Community Services

Mission Bay SEIR: Sewers and Wastewater Treatment

M.4 Construct a fence around any interim surface detention basins.

M.5 Drain stormwater runoff (up to a 5-year storm event) from newly constructed buildings and permanently covered surfaces in the Bay Basin into the City's combined sewer system until installation of a permanent sewer system.

Contamination and Environmental Risk

Mission Bay SEIR: Contaminated Soils and Groundwater

The project assumes the development and implementation of a Risk Management Plan or Plans (RMP). The RMP has been approved by the Regional Water Quality Control Board (RWQCB). The mitigation program would reduce project impacts to a less-than-significant level. The project sponsor will implement the RMP at lots A-D. The RMP does not apply to Lot E and is not necessary for Lot E as explained under "Contaminated Soils," above.

J.1 Prior to any site development activities in the Project Area, develop and implement an RWQCB-approved Risk Management Plan or Plans (RMP). The RMP shall address all site development activities and post-development activities and shall include specific measures that would be protective of human health and the aquatic environment. The human health standards to be applied in the RMP are a cumulative cancer risk of 1×10^{-5} and a Hazard Index of 1, or more stringent standards as may be required by the RWQCB. Amend the RMPs as required by the RWQCB to reflect new information regarding contamination, land use decisions, or as a result of Article 20 compliance.

J.1c For areas where contaminant-specific interim target levels (ITLs) are exceeded, identify specific Interim Risk Management (IRM) measures that would reduce potential contamination-related risks to Project Area occupants and visitors during site build-out. Based on the results of the ITL evaluation and need for site controls, general IRM measures could include measures such as:

i. Limit Direct Access to Uncovered Native Soil on Undeveloped Portions of the Project Area. To effectively limit access, install fencing or other physical barriers around the identified areas, and post "no trespassing" signs.

ii. Hydroseed or Apply Other Vegetative or Other Cover to Uncovered Areas. Hydroseed or apply other vegetative or other cover to the uncovered areas to reduce the potential for windblown dusts to be generated, and to reduce the potential for individuals to have direct contact with the native soils.

iii. Include Safety Notices in Leases. Notify tenants of occupied portions of the Project Areas of the potential risks involved with the disturbance of existing cover (asphalt, concrete, vegetation) or exposed native soil.

iv. Conduct Periodic Inspections of Open Spaces. Conduct periodic inspections of the Project Area to reduce the illegal occupancy of open areas by transient populations, and to reduce the illegal dumping by unauthorized occupants or off-site populations. Implement additional security measures such as fencing and/or the use of security guards, if inspections show a need.

v. Periodic Monitoring. Perform inspections verifying that risk management measures remain effective by identifying disturbances to cover materials that could result in the exposure of underlying native soil and by identifying areas where temporary fencing or other physical barriers might need to be reinstalled. If the inspections identify areas where measures have been rendered ineffective, implement corrective action.

Development

J.1e Identify site access controls to be implemented during construction, such as:

i. Secure construction site to prevent unauthorized pedestrian/vehicular entry with fencing or other barrier of sufficient height and structural integrity to prevent entry and based upon the degree of control required.

ii. Post "no trespassing" signs.

iii. Provide on-site meetings with construction workers to inform them about security measures and reporting/contingency procedures.

J.1f Identify protocols for managing soil during construction, which will include at a minimum:

i. The dust controls found in Measure F.2 in Section VI.F (of Mission Bay SEIR), Mitigation Measures: Air Quality.

ii. Standards for imported fill (defined as fill brought onto the site from outside the Project Area) that are protective of human health and the aquatic environment and an identified minimum depth of fill to be required for landscaped areas.

iii. A requirement that prior to placement, if native soil in the Project Area is to be used on site in any manner that could result in direct human exposure, characterization of

the soil be conducted to confirm that it meets appropriate standards approved by the RWQCB and would be appropriate for the intended use.

iv. Protocols for managing stockpiled and excavated soils.

v. A program for off-site dust monitoring, consisting of real-time monitoring for PM_{10} concentrations to demonstrate that the health and safety of all individuals not engaged in construction activities would not be adversely affected by chemicals that could be contained in dust generated by soil-disturbing activities. If monitoring shows dust levels exceeding 250 $\mu g/m^3$, implement additional dust control measures, such as continuous misting of exposed areas with water, until concentrations are reduced below the action level.

J.1g Identify protocols for managing groundwater, which will include at a minimum:

i. Procedures to prevent unacceptable migration of contamination from defined plumes during dewatering, such as monitoring, counter-pumping, or installing sheetpiles down to Bay Mud before dewatering.

ii. Procedures for the installation of subsurface pipelines and other utilities, where necessary, to prevent lateral transmission of chemicals in groundwater. Such procedures could include, but would not be limited to, selection of proper backfill materials and thickness and installation of clay plugs or barrier collars.

J.1h Include SWPPP requirements and BMPs as described in Mitigation Measure K.1 in Section VI.K (of Mission Bay SEIR), Mitigation Measures: Hydrology and Water Quality.

J.1i Include a requirement that construction personnel be trained to recognize potential hazards associated with underground features that could contain hazardous materials, previously unidentified contamination, or buried hazardous debris.

J.1j Develop and describe procedures for implementing a contingency plan, including appropriate notification and control procedures, in the event unanticipated subsurface hazards are discovered during construction. Control procedures could include, but would not be limited to, further investigation and removal of USTs or other hazards.

Post-Development

J.1l Except where testing demonstrates that native soils meet standards established by the RWQCB as being protective of human health and the aquatic environment, require that upon project completion, all native soils shall be capped, so as to

preclude human contact by using buildings, paved surfaces (such as parking lots, sidewalks, or roadways), or fill of a kind and depth approved by the RWQCB.

Water Quality and Aquatic Ecology

Mission Bay SEIR: Construction Activity Pollutants

K.1 Develop and implement a comprehensive Stormwater Pollution Prevention Plan (SWPPP) for all construction activities within the Project Area to avoid and minimize erosion and sedimentation in China Basin Channel and San Francisco Bay and to manage other aspects of the construction site. Include at least the following Best Management Practices, or substantially equivalent measures.

K.1a Minimize dust during demolition, grading, and construction by lightly spraying exposed soil on a regular basis.

K.1b Minimize wind and water erosion on temporary soil stockpiles by spraying with water during dry weather and covering with plastic sheeting or other similar material during the rainy season (November to April).

K.1c Minimize the area and length of time during which the site is cleared and graded.

K.1d Prevent the release of construction pollutants such as cement, mortar, paints and solvents, fuel and lubricating oils, pesticides, and herbicides by storing such materials in a bermed, or otherwise secured, area.

K.1e As needed, install filter fences around the perimeter of the construction site to prevent off-site sediment discharge.

K.1g Install and maintain sediment and oil and grease traps in local stormwater intakes during the construction period, or otherwise properly control oil and grease discharges.

K.1h Clean wheels and cover loads of trucks carrying excavated soils before they leave the construction site.

K.1i Implement a hazardous material spill prevention, control, and clean-up program for the construction period. As needed, the program would include measures such as constructing swales and barriers that would direct any potential spills away from the Channel and the Bay and into containment basins to prevent the movement of any materials from the construction site into water.

Mission Bay SEIR: Project Contributions to Significant Cumulative Impacts

K.3 Design and construct sewer improvements such that potential flows to the City's combined sewer system from the project do not contribute to an increase in the annual overflow volume as projected by the Bayside Planning Model by providing increased storage in oversized pipes, centralized storage facilities, smaller dispersed

storage facilities, or detention basins, or through other means to reduce or delay stormwater discharges to the City system.

K.4 Implement alternative technologies or use other means to reduce settleable solids and floatable materials in stormwater discharges to China Basin Channel to levels equivalent to, or better than, City-treated combined sewer overflows. Such alternative technologies could include one or more of the following: biofilter system, vortex sediment system, catch basin filters, and/or additional source control measures to remove particulates from streets and parking lots.

Mission Bay SEIR: Phased Development and Interim Uses

K.5 Develop and implement a Stormwater Management Program applicable to new and interim development under the Redevelopment Plan in any area contributing to direct discharges of stormwater to near-shore waters. Develop the plan in coordination with City and County of San Francisco agencies such as the Water Pollution Prevention Program of the City and County of San Francisco Public Utilities Commission's (SFPUC) Bureau of Environmental Regulation and Management, and the Clean Water Program. Develop the Stormwater Management Program according to guidelines contained in California Municipal Storm Water Best Management Practice Handbook and in California Industrial/Commercial Storm Water Best Management Practice Handbook.[47] In addition, design the program with Best Management Practices consistent with the minimum control measures pursuant to the proposed Phase II stormwater regulations. Implement the Stormwater Management Program until a city-wide stormwater management program is developed that includes any area contributing to direct discharges of stormwater to near-shore waters. If the City and County of San Francisco develops a city-wide stormwater management program, such a program would supersede the stormwater management program for the Project Area. Periodically prepare and submit a monitoring report to the City detailing progress on implementation of Best Management Practices. Modify the Stormwater Management Program, as necessary, to respond to changes in conditions, and record any changes made (additions or deletions) in the monitoring report.

See the Mission Bay SEIR, pp.VI.45-50 for a summary of the minimum control measures to be part of the Phase II stormwater regulations.

NOTES:

1. City and County of San Francisco Planning Department and San Francisco Redevelopment Agency, *San Francisco Giants Ballpark at China Basin Final Environmental Impact Report*, Vols. 1-3, Planning Department File No. 96.176E, State Clearinghouse No. 96102056, certified June 26, 1997. Copies of the Ballpark EIR are available for review at the San Francisco Planning Department, 1660 Mission Street, 5th floor.

2. Copies of these materials are available for review at the San Francisco Planning Department, 1660 Mission Street, 5th floor.

3. Two Addenda have previously been prepared for the Ballpark EIR: an Addendum for the Coca-Cola sign and an Addendum for Passenger Ferry Terminal.

4. Copies of the Mission Bay SEIR are available for review at the San Francisco Planning Department, 1660 Mission Street, 5th floor.

5. There are options to extend the leases of Lots A and B for about 5 years, contingent upon Mission Bay development. The Catellus lease also provides for additional parking on the portion of Fourth Street that would be vacated between Third Street and future Owens Street when development of Mission Bay proceeds.

6. Ballpark EIR, p. II.19.

7. Ballpark EIR, p. V.70.

8. Mission Bay SEIR, p. III.17.

9. Mission Bay SEIR, p. V.M.52.

10. Mission Bay SEIR, p. V.M.47-52.

11. Ballpark EIR, p. II.20.

12. San Francisco Redevelopment Agency, Redevelopment Plan for the Mission Bay South Redevelopment Project, adopted Nov. 2, 1998, section 303.1.

13. San Francisco Redevelopment Agency, Redevelopment Plan for the Mission Bay South Redevelopment Project, adopted Nov. 2, 1998, section 303.2.

14. See pp. 64-65 of the June 1997 *Waterfront Land Use Plan.*

15. Ballpark EIR, pp. IV.45.

16. Ballpark EIR, p. IV.251 and p. IV.256.

17. Mission Bay SEIR, p. V.G.24 and pp. A.26-28.

18. Mission Bay SEIR, p. V.H.6.

19. Ballpark EIR, p. III.139.

20. Geomatrix, *Site Use History and Proposed Article 20 Sampling Program*, March 1999, p. 5.

21. Geomatrix, *Results of Article 20 Sampling Program and Health Risk Assessment Imperial Weitz Parking Lots for the Giants Pacific Bell Ball Park Area E - Port of San Francisco Property*, June 1999, Section 6.1.

22. ENVIRON Corporation, *Risk Management Plan Mission Bay Area San Francisco, California*, June 1999, Section 3.2.

23. Geomatrix, *Site Use History and Proposed Article 20 Sampling Program*, March 1999, p. 7.

24. Geomatrix, *Soils Analysis Report Article 20 Sampling Program*, June 1999, Section 6.4.

25. Geomatrix, *Site Use History and Proposed Article 20 Sampling Program*, March 1999, pp. 7-8.

26. Geomatrix, *Results of Article 20 Sampling Program and Health Risk Assessment Imperial Weitz Parking Lots for the Giants Pacific Bell Ball Park Area E - Port of San Francisco Property*, June 1999, Section 2.2.

27. Geomatrix, *Results of Article 20 Sampling Program and Health Risk Assessment Imperial Weitz Parking Lots for the Giants Pacific Bell Ball Park Area E - Port of San Francisco Property*, June 1999, Sections 6.2.1 and 6.2.2.

28. Geomatrix, *Results of Article 20 Sampling Program and Health Risk Assessment Imperial Weitz Parking Lots for the Giants Pacific Bell Ball Park Area E - Port of San Francisco Property*, June 1999, Section 4.1.4.

29. Geomatrix, *Results of Article 20 Sampling Program and Health Risk Assessment Imperial Weitz Parking Lots for the Giants Pacific Bell Ball Park Area E - Port of San Francisco Property*, June 1999.

30. Geomatrix, *Results of Article 20 Sampling Program and Health Risk Assessment Imperial Weitz Parking Lots for the Giants Pacific Bell Ball Park Area E - Port of San Francisco Property*, June 1999, Section 7.0.

31. Geomatrix, "Technical Memorandum," from Amanda Spencer to Bill Dietrich, EIP Associates, May 26, 1999.

32. "Results of Article 20 Sampling and Health Risk Assessment Imperial Weitz Parking Lots (Areas B/C and A/D - Catellus Property and Area E - Port of San Francisco Property) Soil Management Plan for Area E - Port of San Francisco Property San Francisco, California," letter from Ben Gale, Director, City and County of San Francisco Department of Public Health Environmental Health Section, to Amanda Spencer, Geomatrix, June 7, 1999.

33. Geomatrix, "Technical Memorandum," from Amanda Spencer to Bill Dietrich, EIP Associates, May 26, 1999.

34. Ballpark EIR, pp. III.165-III.180 and IV.306-IV.329.

35. Ballpark EIR, pp. IV.325.

36. Ballpark EIR, pp. V.66-V.71a.

37. Memorandum from John Davis, Woodward-Clyde, to Paul Deutsch, City and County of San Francisco, Office of Environmental Review, September 1, 1998, regarding "Analysis of Stormwater Management Options at Mission Bay," p. 7, indicating a mean removal efficiency for total suspended solids of 40%. This document is

available at the San Francisco Planning Department, 1660 Mission Street, 5th floor.

38. In rare circumstances (very large storms greater than the 5-year storm), some overland flows may occur, as they would at many other locations in the City. Such flows would not be treated. Given the length of the duration of the leases, such an event may not occur at all on Lots A, B/C, and D during the project's life, and may occur, on average, once on Lot E during the project's life.

39. Ballpark EIR, p. IV.325a-IV.326.

40. Mission Bay SEIR, Table V.K.1, p. V.K.34.

41. The quality of the stormwater before and after construction of the parking areas would be expected to be roughly comparable. Although much of the project site is not currently used for parking, much of it is paved and has been used for parking or other transportation-related uses in the recent past. The Mission Bay SEIR, in its analysis of stormwater pollutant loads, assumes that stormwater from most of the parking lot project area would be characteristic of stormwater from other areas used for transportation-related purposes (Mission Bay SEIR, p. V.K.39). Pollutants associated with parking areas include oil, grease, metals, among others, and pollutant levels are typically higher at transportation-related parcels than at residential, commercial, industrial, or open space properties (Bay Area Stormwater Management Agencies Association, *San Francisco Bay Area Stormwater Runoff Monitoring Data Analysis 1988-1995*, Final Report, October 15, 1996, p. 5-2). The use of the project area for parking lots would be consistent with its recent past uses; therefore, pollutant levels in stormwater runoff would also be expected to be somewhat similar to existing levels.

42. Mission Bay SEIR, p. XII.394 - XII.396.

43. Mission Bay SEIR, p. XII.392 - XII.394.

44. Ballpark EIR, p. IV.320.

45. Mission Bay SEIR, pp. VI.45-VI.50.

46. San Francisco Board of Supervisors, Resolution 645-97, endorsing the Planning Commission's Certification of the Final Environmental Impact Report and Adopting Environmental Findings and a Statement of Overriding Considerations . . ., adopted July 3, 1997.

47. Stormwater Quality Task Force, *Municipal Best Management Practice Handbook*, prepared by Camp Dresser & McKee, Larry Walker Associates, Uribe and Associates, and Resources Planning Associates, March 1993.

PORT OF SAN FRANCISCO

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MEMORANDUM

June 22, 1999

TO: MEMBERS, PORT COMMISSION
Hon. Denise McCarthy, President
Hon. Kimberly Brandon, Vice President
Hon. Michael Hardeman
Hon. Brian McWilliams
Hon. Pius Lee

FROM: Douglas F. Wong
Executive Director

SUBJECT: Approval of sublease from the Franciscan Restaurant to Tower Tours under Port Lease No. L-7496 for premises located at Pier 43-½ for use of approximately 2,100 sq. ft. for bus tour ticket sales.

DIRECTOR'S RECOMMENDATION: APPROVE SUBLEASE BETWEEN THE FRANCISCAN RESTAURANT AND TOWER TOURS

BACKGROUND:

The Franciscan Restaurant located at Pier 43-½ has an existing Port Lease No. L-7496, the term of which commenced May 1, 1970, and expires April 30, 2036. The Tenant under the lease is Franciscan Restaurant, a California corporation (the "Tenant"), the principals being Ken Burger and Kevin Westlye. The leased premises consist of a retail building containing an upstairs 13,223 sq. ft. restaurant, a downstairs full service restaurant/crab stand and bar, and approximately 1,900 sq. ft. of retail space.

The Tenant proposes to sublease approximately 2,100 square feet of the ground level restaurant space to Golden Bay Transportation Company, Inc. ("G.B.T.C."), dba Tower Tours. The space will be converted for use as a ticket sales counter. The Tenant further proposes that the Port of San Francisco relocate GBTC's curb space location from its current site on Jefferson Street to the curb on the south frontage of the Franciscan Restaurant. The Port Commission action consists of approving the sublease to GBTC and consenting to the use of approximately 2,100 sq. ft. for bus tour ticket sales.

This Print Covers Calendar Item No. **4A**

ANALYSIS:

The Tenant has prepared projections of the economic benefit to the Port resulting from the approval of the proposed sublease and relocation of the GBTC to the Curb Space Use Permit.

The net effect of this proposal is the retention of at least $48,000.00 per year in incremental rent related to the GBTC dba Tower Tours curb space use permit and the addition of $38,888per year in new rent based on anticipated increases in sales by Franciscan gift shop, restaurant and crab stand and $5,100.00 as the Port's share of subtenant's rent.

Prepared by: Elliott Riley, Property Manager

PORT COMMISSION
CITY & COUNTY OF SAN FRANCISCO

RESOLUTION NO. 99-50

WHEREAS, Charter Section 3.581 empowers the Port Commission with the power and duty to use, conduct, operate, maintain, manage, regulate and control the Port area of San Francisco; and

WHEREAS, under Charter Section 3.581 (g) leases granted or made by the Port Commission shall be administered exclusively by the operation forces or the Port Commission; and

WHEREAS, the Port and the Franciscan Restaurant are parties to Lease L-7496 dated as of May 1, 1970; and

WHEREAS, the Port has the right to approve or disapprove, for reasonable grounds, a change of use and sublease of the Premises; and

WHEREAS, Port Commission approval is being sought for the approval of additional use and Consent of Sublease with Golden Bay Transportation Inc., dba Tower Tours; now, therefore, be it

RESOLVED, that the Port Commission hereby consents to Sublease between the Franciscan Restaurant and Golden Bay Transportation Inc., dba Tower Tours incorporating the business terms set forth in the Memorandum for Agenda Item No. 4B dated June 22, 1999, including use of approximately 2,100 sq. ft. of the premises for a bus tour ticket office, and authorizes the Executive Director or his designee to execute the Consent of Sublease and to take such further action as may be required to implement the Sublease.

I hereby certify that the foregoing resolution was adopted by the San Francisco Port Commission at its meeting of June 29, 1999.

_____
Secretary

PORT OF SAN FRANCISCO

Ferry Building
San Francisco, CA 94111
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MEMORANDUM

June 21, 1999

To: MEMBERS, PORT COMMISSION
Hon. Denise McCarthy, President
Hon. Kimberly Brandon, Vice President
Hon. Michael Hardeman
Hon. Brian McWilliams
Hon. Pius Lee

From: Douglas F. Wong
Executive Director

Subject: Approval of Amendments to Port Tariff No. 4 regarding Fish Sales from Commercial Fishing Vessels at Fisherman's Wharf Harbor.

DIRECTOR'S RECOMMENDATION: APPROVE AMENDMENTS TO PORT TARIFF NO. 4

Background. In May of 1998, the fishermen of Fisherman's Wharf Harbor approached the Port with the proposal of conducting fish sales directly to the public from their boats. At the same time fishermen in harbors from Santa Barbara, CA to Humbolt Bay, CA were making similar requests from their respective Port Commissions. These requests were a result of the fishermen's desire to get what they believed was a fair market price for their catch, which they maintained they were not receiving from their traditional wholesale market. In addition there was a perception that the general public would enjoy a farmers-market-type atmosphere by purchasing fish directly from the boats. This activity they believed would motivate the local public to visit the wharf more frequently and for a purpose that was in keeping with the traditional use of the area as a fishing harbor.

Port staff responded by formulating some basic guidelines that would allow this type of activity while at the same time protecting the health and safety of the public and our tenants' concerns. Staff contacted the California Fish and Game Department, the San Francisco Health Department, the Department of Weights and Measures and the San Francisco Police Department to ascertain what permits and policies would be necessary to incorporate into a Port Policy. Staff also surveyed other harbors along the coast and collected their policy documents, experiences and concerns, and consulted with local fishermen and fish processors to determine how these guidelines would be implemented.

THIS PRINT COVERS CALENDAR ITEM NO. 5A

In July 1998, staff prepared a draft policy that included requiring the appropriate Fish and Game licenses, Health Dept. permit, Weight and Measures certification for scales and guidelines for berth assignments, advertisements, safety and sanitation. These guidelines were similar to those used in Pillar Point Harbor, Half Moon Bay, which had held public hearings and had secured their commission approval. San Francisco fishermen, as represented by the Crab Boat Owners Association, reviewed these guidelines. The Port's fish processing tenants response was mixed; however, no formal opposition has been received. Port staff allowed fish sales to proceed on a provisional basis to determine the effectiveness of the guidelines, observation of unforeseen negatives and the popularity and overall scope of fish sales by the fishermen to the public.

During the period of July 1998 and the end of September 1998, fish sales occurred and the following facts were recorded. Sales took place in the inner Harbor, Pier 49 on Wharf J-3 and J-4. Sales on Pier 47 Wharf J-7, 8 & 9 were not successful due to their more obscured location. Sales generally took place on Saturdays and Sundays, with some sales on Fridays. This happened without limiting the sales to any particular days of the week. The average number of boats participating was 9 with a low of 2 and a high of 17 on a given day. There was roughly a 50/50 mix of local and out of town boats. The number of public who participated was not calculated; however, there was never an overwhelming crowd recorded, no accidents reported and the response could be generally characterized as positive and jovial. No conflicts were reported by the Fish Processors, some aided the sales by supplying ice and sales from the fishermen to them continued without recorded disruption.

In the period between the end of September 1998 and April 1999 staff met with the above mentioned agencies, with the Crab Boat Owners Association, Fish Processors and local members of the community and it was determined that a formal policy should be adopted by the Port to establish a regular permitting of fish sales by the fishermen at the Port. A policy was drawn up and a community meeting was held on May 12,1999 at Fisherman's Wharf that was attended by over 50 fishermen, fish processors, agency representatives and interested community members. The Policy for CONDUCTING FISH SALES FROM VESSELS AT FISHERMAN'S WHARF HARBOR before you today was a result of that meeting.

Proposal:
Port staff recommends that a policy for fish sales from vessels in Fisherman's Wharf Harbor be incorporated into Rule 34 – Terminal Tariff, Section 8 - Fishing Industry of Port Tariff No. 4. The proposed amendments to Port Tariff No. 4 are indicated in the attachment to this Memorandum.

Prepared by: John Davey
Maritime Operations Manager

AMENDMENTS TO PORT TARIFF NO.4
RULE NO. 34- TERMINAL TARIFFS; SECTION 8 - FISHING INDUSTRY.

8H. FISHING INDUSTRY

ITEM NO. 899. CONDUCTING FISH SALES FROM VESSELS AT FISHERMAN'S WHARF HARBOR

1. All participating owners/vessels must have a berth agreement, and their account must be in good standing with the Port of San Francisco.

2. Fish may be sold only from vessels with a preferential berth assignment as defined in the Port Tariff #4, Rule 34, Section 8b, Item #831 with the following exceptions:

   I. Two berths on Pier 49 Wharf J-3 will be designated for non-preferential berth assignment (as defined in the Port Tariff #4, Rule 34, Section 8b, Item #831). The purpose of these two berths is to accommodate vessels that do not have preferential berth assignments. The assignment of these berths will be on first come, first served basis. The term will be noted on the non-preferential berth assignment document and shall not exceed 3 consecutive days.

   II. Berth holders who have a preferential berth assignment on Pier 49 Wharf J-3 who are current members in good standing of the Crab Boat Owners Association can exchange berths with other members of the Association for the sole purpose of selling their fish. This exchange shall be only for the time period for which fish sales are taking place and shall not suspend in any form the term of either party's berth assignment with the Port. It is understood that once the fish sales are complete the berth will be occupied by the vessel per the preferential berth assignment and the temporary occupant shall return to their assigned berth or shift to the transient area.

3. No sales shall take place outside of the numbered berths of Pier 47 and Pier 49 or elsewhere within the jurisdiction of the Port. There shall be no sub-letting of berths.

4. Prior to the commencement of any fish sales, vessel owners or operators must acquire all required permits and licenses. Vessel owners or operators shall conform to all regulations and requirements, including those of the California Department of Fish and Game, the San Francisco Department of Public Health, the Department of Weights and Measures and the Port of San Francisco.

5. Vessels must have a Retail Fish Sales Permit, issued by the Port of San Francisco. This permit shall be displayed as designated by the Port, during the time fish sales are conducted. Permits shall be issued annually, upon presentation of a Fishing Vessel Health Permit from the Department of Public Health and payment of *$20* to the Port of San Francisco.

6. Sales shall occur between the hours of 7:00 AM and 8:00 PM only.

7. No signs or posters may be fastened to any Port property, including railings and lampposts. Signage posted on the boat shall follow the guidelines established by the Port.

8. All customers must be issued a receipt with the following information:

    (a) Name of vessel
    (b) Name of fish catcher
    (c) Fish & Game retail number
    (d) DPH permit number
    (e) Species
    (f) Price per pound
    (g) Quantity
    (h) Total Price

9. All fish shall be sold whole. No filleting, steaking or processing, other than gilling and gutting, is allowed.

10. Gutting and gilling of fish shall be done at sea prior to beginning sales and in accordance with all California Fish & Game regulations.

11. Fish sold shall be packed at the time of sale in a drip-proof bag, (e.g. plastic) of sufficient strength to support the weight of the fish.

12. Fish shall be sold only by, or under direct supervision of, the fish catcher who harvested the fish.

13. All fish sales must occur from the vessel. No selling stations will be allowed to be set up on or in any dock, wharf, parking area or other structure.

14. No customers shall be allowed on vessels selling fish. All shore attachments, protrusions or equipment that could injure a customer or create a trip hazard shall be safely covered or removed.

15. The vessel or business name shall be prominently placed and clearly visible to consumers during sales activities so that the business or vessel is easily identifiable.

16. Fish must be maintained at a temperature of 41 degrees Fahrenheit (5 degrees Celsius) or below at all times, including during storage (California Salmon Council Quality Guidelines recommend 32-35 degrees Fahrenheit). Acceptable means of maintaining temperature include approved refrigeration equipment or embedding in ice. Crabs shall be sold live.

17. Ice used for the chilling of fish must be made from potable water and be protected from sources of contamination.

18. Stored fish must be protected from all sources of contamination.

19. Scombrotoxic fish must receive special care in handling, i.e., proper icing, refrigeration, or immediate freezing upon landing (catching), to prevent bacterial growth, spoilage and histamine production. Scombrotoxic fish include: tuna, albacore, mahi mahi, and mackerel.

20. Discharge of fish carcasses, entrails and other debris into harbor waters is prohibited. All refuse shall be placed in a designated trash receptacle and shall not be left on a pier, wharf, sidewalk, street or curb.

21. Only approved, cleanable utensils may be used to clean fish. Utensils, processing areas, and storage facilities such as holds must be maintained in a clean and sanitary condition.

22. The Port of San Francisco reserves the right to revoke or suspend an individual Port Retail Sales Permit as the result of non-compliance with any of the provisions contained herein.

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 99-48

WHEREAS, jurisdiction over the lands managed by the San Francisco Port Commission was transferred to the City and County of San Francisco pursuant to California Statues, Chapter 1333, commonly known as the "Burton Act;" and

WHEREAS, the Burton Act mandates that said lands be managed to promote their use and development for trust purposes, and one of these trust purposes is fisheries; and

WHEREAS, City Charter Section 3.581 empowers the Port Commission with the power and duty to use, conduct, operate, maintain, manage, regulate and control the Port area of San Francisco; and

WHEREAS, in order to allow the sale of fish from a vessel at Fisherman's Wharf, and provide for the orderly conduct of those sales and to develop an additional market for fisherman and to protect the health and safety of the general public, and to enhance the experience of visitors to Fisherman's Wharf, the Port Commission desires to adopt regulations governing such sales; now, therefore be it

RESOLVED, that the Port Commission hereby adopts the Amendments to Port Tariff No.4 attached hereto, and authorizes the Executive Director to take all such further action necessary to implement the Amendments to Tariff, including submitting the Amendments to Tariff to the Federal Maritime Commission and the California Association of Port Authorities as necessary.

I hereby certify that the foregoing resolution was adopted by the San Francisco Port Commission at its meeting of June 29, 1999.

_____
Secretary

PORT OF SAN FRANCISCO

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MEMORANDUM

June 2, 1999

TO: MEMBERS, PORT COMMISSION
Hon. Denise McCarthy, President
Hon. Kimberly Brandon, Vice-President
Hon. Michael Hardeman
Hon. Brian McWilliams
Hon Pius Lee

FROM: Douglas F. Wong
Executive Director

SUBJECT: Adoption of Maritime Rental Rate Schedule

DIRECTOR'S RECOMMENDATION: ADOPT MARITIME RENTAL RATE SCHEDULE

In 1993, the Port Commission, by resolution 93-127, as amended by Resolution 93-135, authorized Port staff to enter into leases without specific Port Commission approval of each lease, provided that the leases meet certain criteria which constitute approved leasing parameters.

Most recently, in May of 1998, the Port Commission approved Rental Rate Schedules that set leasing parameters with set ranges of lease rental rates per square foot by type of lease and facility. These rent levels were set based upon a survey of rental comparables by a professional real estate appraisal firm. While the study included overall analysis of the local real estate market and identified market rates for Port properties, it did not survey competing California ports to determine their rates for industrial maritime related uses. This lack of information has hampered Port staff in determining fair market rates for our properties and piers for maritime industrial users. There now exists a wide variance in rates for similar maritime industrial uses that the current rent schedule does not address.

This Print Covers Calendar Item No. **5B**

For this reason the Port's Maritime division retained the real estate appraisal firm of Karen Ann Simons and Associates to conduct a comprehensive study of the maritime industrial rental markets of competing California ports. The study includes an overall analysis of seven California ports analyzing rates for maritime industrial uses such as warehouse, container freight station, cross dock transloading, foreign trade zones, customs examination stations, apron space, paved/unpaved land and ancillary office rates.

Maritime industrial uses are defined as the lease of a pier apron, pier shed space, paved or unpaved land for commercial non-retail uses including ocean cargo warehousing, ocean cargo transloading, central examination stations for oceanbourne cargo, foreign trade zones, U.S. Customs bonded warehouses for oceanbourne cargo, intermodal trucking companies and commercial harbor service companies such as tug, tow, or commercial water taxis.

These uses are important to the maritime marketing effort of the Port of San Francisco. Cargo sourcing warehouse activities attract importers and exporters who, due to the proximity of Pier 80, ship their cargo with Port of San Francisco shipping line customers thus generating secondary revenues to the Port through wharfage and dockage. This allows the Port to attract more steamship customers which will in turn positively impact our tug and tow operators and harbor services tenants.

Leases will fall under the maritime industrial status if they meet all of the following criteria which constitute approved Leasing Parameters:

1. The lease is for space included in the above definition of maritime industrial rent schedules adopted by the Port Commission, and the lease conforms to this Rental Rate Schedule;

2. The tenant signs the Port's standard form lease (adopted by Resolution No. 93-127), except for minor changes approved by the City Attorney or changes in insurance requirements approved by the City Risk Manager;

3. The lease will not exceed five years.

4. Rent credits given for tenant improvements do not bring the net effective rent over the term of the lease below the minimum rent parameters;

5. The lease may include one month of free rent for construction prior to the commencement of rent;

Maritime Industrial Rent Recommendations

Based upon the recommendations contained in the Maritime Industrial Rent Survey Appraisal Report prepared by Karen Ann Simons and Associates, which is presented in the attached Exhibit A, in order to attract and retain maritime industrial uses to our Port, the staff recommends that rate levels be at or slightly below the rates of the other competing Bay Area ports. This Rental Rate Schedule presents a range of rents taking into account the rates of similar types of properties at competing California ports.

Warehouse uses

Ranges of rents at other competing ports are as follows: Oakland has just raised its warehouse rents (excluding office) to $0.25, stepping to $0.26 in October 1999 and $0.27 in May 2000. There is also an additional $0.01 surcharge for bonded space. Sacramento's rates range from $0.28 to $0.32 for one year lease terms and are net. The Port of San Diego offers warehouse space at $0.25 to $0.50 per square foot with variances in rates based on space volumes and length of lease. Stockton rates range from $0.10 to $0.21 with the variance in the range based upon location and condition with term range up to 50 years with annual CPI adjustments and are net.

Conclusions: In comparison to other Ports the rate indications are between $0.20 and $0.30, supported by Oakland at $0.25. PSF non-maritime industrial net effective rental rates range from $0.29 to $0.42 per square foot.

Land

Paved -

There are four indications of paved land, however Sacramento is below the reasonable range indicated by the close rates for Long Beach , Los Angeles and Oakland at $0.14 to $0.162 per square foot.

Conclusions: The range indicated for San Francisco is the above indicated range at $0.14 to $0.162 PSF net effective rates for paved land range between $0.10 and $0.25 per square foot.

Unpaved-

The range of rents for unpaved land is $0.02 to $0.12, with the highest rates achieved in Los Angeles and Long Beach. The lowest rates are in Sacramento and San Diego. The lease rates for San Diego range from $0.04 to $0.12.

Conclusions: Oakland appears the most reliable indicator reflecting a rent higher than Sacramento and lower than but close to Long Beach and Los Angeles. The indicated range is $0.09 to $0.12. PSF net effective rental rates for non-maritime open land range from$0.10 to $0.20.

Office

The Port of San Francisco has three categories of office space within the maritime warehouse division, which are average quality office space with air conditioning, average quality office space without air conditioning, and poor quality office space. Only three ports provided information for office space, while three ports include the rent for the bulkhead office with the warehouse rent.

Conclusions: The Port of Oakland's rate range would be the best indicator for air conditioned office space because of its proximity and the similarity in temperatures. Therefore the recommended range of rates for air conditioned office rent should be $0.90 -$1.00 and for non-air conditioned $0.70 - $0.85. Net effective monthly rental rates for Class C non-maritime office space range from $0.97 to $1.74 .

Possessory Interest Tax

At all Ports, tenants are fully responsible for possessory interest taxes.

Special Zones

Like Oakland, it is recommended that a $0.01 surcharge be assessed.

With the adoption of this Maritime Industrial Rental Rate Schedule, Port staff will be authorized to enter into leases without specific Port Commission approval of each lease provided that the lease confirms to all the pre-approved Maritime Industrial Leasing Parameters discussed above and included in the Maritime Industrial Rental Schedule.

Port staff would not be authorized to enter into leases at rental rates below those shown on the attached Maritime Industrial Leasing Rate Schedule without specific authorization from the Port Commission, but Port staff would be authorized to enter into leases at rental rates above those shown on the Maritime Industrial Schedule when unique characteristics of the premises or continued improvement in the rental markets make such higher rental rates appropriate. This authorization would be conditioned upon Port staff providing the Commission within thirty days following each calendar month a summary of leases entered into and subleases or assignments consented to during that month.

Prepared by: Peter Dailey, Maritime Director

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 99-49

WHEREAS, by Resolution No. 93-127 adopted September 8, 1993, this Commission authorized the Executive Director to approve and execute leases that conform to all of the Leasing Parameters set forth in Resolution No. 93-127 and 93-135; and

WHEREAS, said Leasing Parameters provide that leases so approved and executed shall have rents that conform to the Rental Rate Schedule adopted periodically by the Port Commission; and

WHEREAS, Port staff, with assistance from an independent real estate appraisal firm, conducted a comprehensive survey of seven other California Ports in order to research maritime industrial rental rates and has prepared and recommended an Rental Rate Schedule for maritime industrial uses; now therefore be it

RESOLVED, that this Commission hereby approves and adopts the Maritime Industrial Rental Rate Schedule, and be it further

RESOLVED, that Port staff shall provide to the Commission within thirty days following each calendar month a summary of leases entered into and subleases or assignments consented to during that month.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of June 29, 1999.

_____
Secretary

I:/RealEstateComps

RENT STUDY
MARITIME WAREHOUSE PROPERTIES
VARIOUS LOCATIONS

AS OF

JUNE 3, 1999

PREPARED FOR:

MR PETER A. DAILEY
DIRECTOR OF MARITIME SERVICES
PORT OF SAN FRANCISCO
FERRY BUILDING
SAN FRANCISCO, CA 94111

BY

KAREN ANN SIMONS & ASSOCIATES
57 POST STREET, SUITE 804
SAN FRANCISCO, CA 94104-5027

Karen Ann Simons & Associates

Real Estate Appraisal & Consultation

June 3, 1999

Mr. Peter A. Dailey
Director of Maritime Services
Port of San Francisco
Ferry Building
San Francisco, CA

Re: Rent Study
Maritime Warehouse Properties - Various Locations

Dear Mr. Dailey:

At your request, Karen Ann Simons & Associates has completed a rent survey of various ports in California for the purpose of developing a range of market rents for various Maritime Warehouse properties.

The survey includes office space, dock and non-dock warehouse space, paved and unpaved land, and includes comments regarding custom zones, possessory interest taxes, and union labor pertinent to each port surveyed.

The following report includes a page summarizing the data for each port, an overview of the comparative data, and a summary of our conclusions regarding the appropriate rent ranges for San Francisco.

Very truly yours,

KAREN ANN SIMONS & ASSOCIATES

Karen Ann Simons, MAI

57 Post Street, Suite 804, San Francisco, California 94104
(415) 788-6100 • Fax (415) 788-2226

Purpose of the Report

The purpose of the survey is to assist the Port to establish market rent ranges for various types of maritime industrial property.

Maritime related uses include cargo sourcing warehousing, container freight stations (CFS), customs examination stations (CES), foreign trade zones, international trucking, and harbor services such as tug and tow operations.

Seven ports were surveyed, although the Port of Richmond has no non-water accessed real estate and no non-dockside land.

The six remaining ports are: Oakland, Stockton, San Diego, Los Angeles, Sacramento, and Long Beach.

The individual summary sheets at the end of this report discuss the reasons for wide ranges, which in the warehouse space, is attributable to older, non-functional buildings versus newer buildings, or, in the case of San Diego, whether volumes are low or high and whether leases are short term or long term. Discussions of each port follow.

Summary of the Ports

Port of Long Beach

The Port of Long Beach provided data for warehouses and land. All office areas are leased in conjunction with the warehouses. The warehouse lease ranges range from $0.20 to $0.40 and vary with respect to age and condition of the improvements. The high end of the range reflects one of the two highest rates reported, but does include office.

In addition, the Port is currently land-banking, by purchasing inland lots with small warehouse improvements, and the rents reported are not for large facilities, but rather smaller spaces typically

in the 4,000 square foot to 8,000 square foot range. Even for leases which are month to month, tenants contribute to taxes and insurance and upkeep; thus the leases are net.

Port of Los Angeles

The Port of Los Angeles typically leases office areas in conjunction with the term of warehouse leases, although the rents are set separately. Class A office space with air conditioning commands the highest rent (by Class A, it is meant the most superior office) at $1.05 per square foot per month, and $0.15 less without air conditioning. Class B space rents for $0.70 and Class C/Bulkhead space rents for $0.60.

Warehouse space is free span with 24' height and leases for $0.27. Older former Navy buildings with awkward column spacing, and in poor condition, leases for $0.18. Five year leases are typically flat, while month to month leases are renegotiated to fair market rent annually. The Port plans to use the CPI index to set escalations.

Both paved and unpaved open land typically includes perimeter fencing and lighting. Unpaved land leases for $0.12 per square foot and paved land leases for $0.14 per square foot. Leases other than month to month are net.

Oakland

The Port of Oakland increased tariffs as of April 1, 1999, and the rents indicated are the starting target rates for short term leases. The Port offers both air conditioned and non air conditioned office space. Air conditioned space rent has recently been adjusted to $0.90 per square foot per month, and non air conditioned space rents to $0.79 per square foot per month. These rents will step $0.04 each as of October 1, 1999, to $0.94 and $0.83, and as of May 1, 2000, to $0.99 and $0.87.

Warehouse (excluding office space) is $0.25 per square foot, stepping to $0.26 October 1, 1999, and $0.27 May 1, 2000. There is a $0.01 surcharge for bonded space. Modern truck/rail cross

dock facilities with doors is $0.34 per square foot, stepping to $0.35 October 1, 1999 and $0.37 May 1, 2000.

Terms are month to month or one year. Leases over month-to-month are net.

Land, both unpaved and paved, has lighting and fencing. The rates are $0.092 for unpaved land, stepping to $0.94 and $0.96 as of October 1, 1999, and May 1, 2000.

Land which is rocked is $0.112 without lighting and fencing to $0.126 with lighting and fencing. These rates will increase to $0.114 and $0.128 as of October 1, 1999, and $0.117 to $0.133 as of May 1, 2000.

Paved land is $0.133 without lighting and fencing to $0.162 with lighting and fencing. These rates will step to $0.135 and $0.164 as of October 1, 1999, and $0.140 and $0.174 as of May 1, 2000.

Port of Sacramento

Sacramento leases office space in conjunction with warehouse space. Warehouse space is all off-dock and leases for $0.28 to $0.32. Leases are for one year and are net. They are renegotiated annually.

Land rates are $0.02 for unpaved and $0.03 for paved. These rents are based on a 10% return on market value, estimated at $2.50 to $4.00 per square foot. Their foreign trade zone is not in operation.

Port of San Diego

San Diego offers non air conditioned office at $0.85 per square foot and both on- and off-dock warehouse space at $0.25 to $0.50 per square foot. The variances in rates are based on volumes and lengths of leases. The lower rates are for higher volumes and longer term leases. Leases are month to month or for one year and are net.

Land, which is uncovered, open, and paved, and in the terminal area, is leased for $0.15 per square foot. Land under the real estate operation leases for $0.04 to $0.12, and is based on a 9.5% return on land valued at $5 to $15 per square foot.

San Diego reports no customs zones. All warehouse is under jurisdiction of the ILWU.

Port of Stockton

The Port of Stockton leases bulkhead office with the warehouse. Lease rates are $0.10 to $0.21. The variance in the range is based on location, condition, and age of improvements. Lease terms are up to 50 years with annual CPI adjustments, and are net.

Land rates are $0.02 to $0.04, and land is mostly unpaved. The variance in the rate is based on the distance of the land from the water.

Stockton reports no customs zones.

Port of Richmond

The Port of Richmond summary chart has been included to show that this port was considered, but that there is no comparable data, since all space has water access and there is no non-dockside land under lease.

Space Categories

Warehouse

San Diego reported on-dock space, but indicated no variance in rent for the on-dock versus off dock. Oakland has just raised its warehouse rent to $0.25, stepping in October 1999 and May 2000. The range for warehouse space for all the comparables is $0.10 to $0.40, although the low end of the range is reported by Stockton, and the upper end of the range, presented by Long

Beach, includes bulkhead office in the blended rate. (San Diego has been excluded from this comparison because of the small size of the space.) Excluding Stockton, the range is $0.18 to $0.40, with a central tendency about $0.30 to $0.35.

Conclusions: In comparison to the subject, the indications are between $0.20 and $0.30, supported by Oakland at $0.25.

Land - Unpaved

The range in rents for unpaved land is $0.02 to $0.12, with the highest rates achieved in Los Angeles and Long Beach The lowest rates are in Sacramento and San Diego *Maritime*. The lease rates for San Diego are based on a 9.5% return on land value, which range is $5 to $15, hence the rates for real estate land at $0.04 to $0.12.

Conclusions: Again, Oakland appears the most reliable indicator reflecting a rent higher than Sacramento and lower than but close to Long Beach and Los Angeles. The indicated range is $0.09 to $0.12.

Land - Paved

There are four indications of paved land, however, Sacramento is below the reasonable range indicated by the close rates for Long Beach, Los Angeles, and Oakland at $0.14 to $0.162.

Conclusions: The range indicated for San Francisco is the above indicated range at $0.14 to $0.162.

Office

The Port of San Francisco has three categories of office space within the maritime warehouse division, which are average quality office space with air conditioning, average quality office space without air conditioning, and poor quality office space.. Only three ports provided information for

office space, while three ports include the rent for bulkhead office with the warehouse rent.

Los Angeles reported several categories of space. The better quality space (A) rents for $1.05 with air conditioning, and $0.90 without air conditioning. Second tier space (B) rents for $0.70, while the bulkhead office space rents for $0.60.

Oakland offers air conditioned office space at $0.90 per square foot and non air conditioned space at $0.79. San Diego offers non air conditioned office space for $0.85.

The ranges are $0.90 to $1.05 for air conditioned office space and $0.70 to $0.90 for non air conditioned space, excluding bulkhead office.

Conclusions: We would expect Oakland would be the best indicator for air conditioned office space because of its proximity and the similarity in temperatures. The non air conditioned office space in San Diego supports this, as air conditioning is not a high priority in that temperate climate. These indications are roughly at $0.90. Given the comparison of Los Angeles, we would expect non air conditioned bulkhead space would fall between $0.60 and $0.70, depending on quality and buildout, and inferior space to be improved by the tenants at the lower end of the range, say $0.60 or slightly less.

Customs/Foreign Trade/Bonded

No ports reported custom or foreign trade zones within the non-water accessed warehouses. Oakland reported at $0.01 "surcharge" for bonded zones and Los Angeles reported no surcharge.

Possessory Interest Tax

All ports, including Richmond, reported that tenants pay possessory interest taxes.

Summary and Conclusions

In comparison to the subject, the data from the rent survey of the ports suggests the following rent ranges:

Range of Relevant Data

Office Rent Range:	
Air Conditioned	$0.90 - $1.00
Non Air Conditioned	$0.70 - $0.85
Warehouse:	$0.20 - $0.30
Land:	
Unpaved	$0.092 - $0.12
Paved	$0.13 - $0.16
Special Zones:	$0.01 per square foot monthly surcharge
Possessory Interest Tax:	Tenants pay

#1 - LEASE RATES* - PORT OF LONG BEACH

Division	Bulkhead and Small Office Buildings	Warehouse	Land - Paved/Unpaved	Customs Zone Possessory Int. Tax	Terms/ Expenses/ Escalations	TI's Commissions Union Labor
Property	N/Ap	$0.20 - $0.40**	$0.10 - $0.15	N/Ap	m/m	As is
	All office area runs with warehouse area leased, not leased separately.				NNN***	no brokers' comm.
				Maritime tenants pay possessory int. tax.	N/Ap	Not required for non-water accessed uses.

Comments: most leases are commercial cargo-type water related leases; the Port is presently land-banking, intending to expand for a use that is not water-dependent, by purchasing inland lots with small warehouse improvements and leasing it on an interim use basis, until plans for development move forward; lease rates for vacant land vary with respect to paving and fencing. The rents above are for non-water accessed uses, but typically smaller spaces, e.g., 4,000 sq. ft. to 8,000 sq. ft.

The landlord does not share in any bonus rent achieved through subleasing.

* All rates are quoted monthly per square foot.

** Lease rates for warehouse facilities vary with respect to age and condition.

***Tenants pay taxes, insurance, and upkeep directly.

#2 - LEASE RATES* - PORT OF LOS ANGELES

Division	Office Buildings	Warehouse	Land - Paved/Unpaved	Bonded Zone Possessory Int. Tax	Terms/ Expenses/ Escalations	TIs Commissions Union Labor
Property Management	Class A without AC $0.90 Class A with AC $1.05 Class B $0.70 Class C/Bulkhead $0.60	Free Span/High 24' Ceilings $0.27 Older/Functionally Obsolete** $0.18	Paved Open $0.14 Unpaved Open $0.12 Paved and unpaved open land typically includes perimeter fencing and lighting	No variance - tenant pays additional operating expenses (i.e., security) Maritime tenants pay Poss. Int Tax.	m/m - 5 years NNN for other than m/m. Flat or Annual Adjustment to market rent	As is None Union labor not required.

Comments: office area terms typically run with the term of the occupancy of the warehouse operation; typically warehouse facilities have no levelers and the tenant pays for installation, if so desired; warehouse rates at the low end of the range represent functionally obsolete former Navy buildings; there are no current plans to redevelopment these facilities; longer-term 5-year leases are typically flat and month-to-month leases are renegotiated at fair market rent annually; reportedly, the Port plans to use the CPI index in the near future to determine escalations; concessions for tenant paid improvements would only be considered if the improvements included structural or exterior repairs, that the Port would normally the responsible for; all other costs and expenses are paid by the tenant.

The landlord does not share in subleasing.

* All rates are quoted monthly per square foot

** Inefficient interior due to design, older age, poor condition.

#3 - LEASE RATES* - PORT OF OAKLAND

Division	Bulkhead Offices Office Bldgs.	Warehouse Enclosed Pier	Unpaved Land	Land Rocked**	Land Paved**	Customs Zone Possessory Int. Tax	Terms/ Expenses/ Escalations	TI's Commissions Union Labor
Maritime	Non AC - $0.79 AC - $0.90	$0.25 if bonded $0.01 more	$0.092	$0.112-$0.126	$0.133-$0.162	No customs zones.	m/m or 1 year NNN, if over m/m N/Ap	As-is N/Ap
Inc. 10/1/99:	*Non AC - $0.83* *AC - $0.94*	*$0.26*	*$0.094*	*$0.114-$0.128*	*$0.135-$0.164*	Maritime tenants pay possessory interest tax.		Teamsters
Inc. 5/1/00:	*Non AC - $0.87* *AC - $0.99*	*$0.27*	*$0.096*	*$0.117-$0.133*	*$0.140-$0.174*			

Comments: areas are rented on an interim use basis only; plans are to tear down the functionally obsolescent former Navy buildings to expand marine terminal operations; tariffs are scheduled to increase slightly beginning 4/1/99; listed are the starting target rates for short term assignments

* All rates are quoted monthly per square foot.

** Range is without lighting and fencing to with lighting and fencing.

#4 - LEASE RATES* - PORT OF SACRAMENTO

Division	Office Buildings	Warehouse Non-Water Related Facility	Land - Paved/Unpaved	Foreign Trade Zone Possessory Int. Tax	Terms/ Expenses/ Escalations	TI's Commissions Union Labor
Trade	N/Ap	$0.28 - $0.32	$0.02 - $0.03	Not in operation	1 year	Vary - negotiable typically, tenants pay for improvements.
	All office area runs with warehouse area leased, not leased separately	All off-dock loading		Maritime tenants pay possessory int. tax.	NNN	
					Renegotiated annually at market value	No commissions.
						Union labor not required

Comments: most leases are commercial cargo-type leases, which include water related warfage requirements; lease rates for vacant land are determined based on a 10% minimum annual rate of return on its fair market value estimated at $2.50 to $4.00 per square foot, the low-end representing unpaved land with no infrastructure to support development, while the high-end represents raw ground with all the infrastructure in place to support development, including all utilities, roadways, power, sewer, water, and gas; concessions are occasionally made for tenant paid improvements.

* All rates are quoted monthly per square foot.

#5 - LEASE RATES* - PORT OF SAN DIEGO

Division	Head House Offices Office Buildings	Transit Sheds and Warehouses	Land, Uncovered Open and Paved Terminal area	Customs Zone Possessory Int. Tax.	Terms/ Expenses/ Escalations	TI's Commissions Union Labor
Maritime	$0.85 (non A/C)	$0.25 - $0.50**	$0.15	None Maritime tenants pay possessory int. tax.	m/m or one year Effectively NNN	As-is None ILWU

Comments: long-term leases are not typical; tenants typically pay for any improvements; brokers commissions are rarely paid, tenants don't usually employ brokers.

* All rates are quoted monthly per square foot.

' Lower rates are for higher volumes and longer term leases.

#6 - LEASE RATES* - PORT OF STOCKTON

Division	Bulkhead Offices Office Buildings	Warehouse (Off Dock Only)	Land Paved/Unpaved	Customs Zone Possessory Int. Tax.	Terms/ Expenses/ Escalations	TI's Commissions Union Labor
Trade and Property Management	Bulkhead office is included with leased warehouse area	$0.10 - $0.21	$0.02 - $0.04	No customs zones Maritime tenants pay possessory int. tax.	Up to 50 years Effectively NNN Annual CPI.	Tenant pays for improvement 5 - 10 year terms are typical. Not typical. Not required to use union labor.
	Freestanding office building	N/Ap	N/Ap	N/Ap	Up to 50 years modified gross Annual CPI.	Tenant pays for improvement not typical

Comments: this is a special district; not a part of the City or County; Commissioners are appointed; tariff rates are considered with respect to lease rates rates listed represent the estimated starting target rates based on actual rents; land is reportedly mostly dirt, some of which could have utilities serviced; land lease rates vary depending on the distance of the land from the water; warehouse rates are based on location, condition, and the age of the improvements; transit sheds are not leased based on special maritime rights.

* All rates are quoted monthly per square foot.

#7 - LEASE RATES* - PORT OF RICHMOND

Division	Office Buildings	Warehouse Non-Water Related Facility	Vacant Land	Customs Zone Possessory Int. Tax	Terms/ Expenses/ Escalations	TI's Commissions
Operations	N/Ap	None	N/Ap	N/Ap	N/Ap	N/Ap
	All office area runs with warehouse area leased, not leased separately	All spaces water access	No non-dockside land	Maritime tenants pay possessory int. tax.		

Comments: all water-related leases; all land is on the water and serves the uses of import/export of cargo.

* All rates are quoted monthly per square foot.

CERTIFICATION

I certify to the best of my knowledge and belief, ...

* the statements of fact contained in this appraisal report are true and correct.

* the reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.

* I have no present or prospective interest in the property that is the subject of this report, and no personal interest with respect to the parties involved.

* I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.

• my engagement in this assignment was not contingent up developing or reporting predetermined results.

* Karen Ann Simons & Associates' compensation is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.

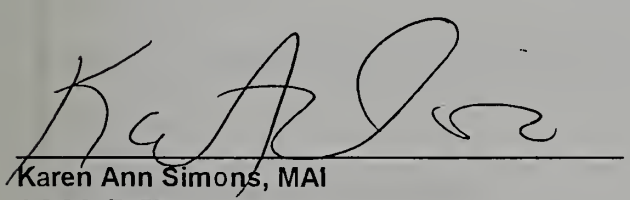
* my analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics and the Standards of Professional Practice as set forth in the Uniform Standards of Professional Appraisal Practice (USPAP) as adopted by the Appraisal Standards Board of the Appraisal Foundation.

* the use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.

* as of the date of this report, I, Karen Ann Simons, have completed the requirements under the continuing education program of the Appraisal Institute.

* I have made a personal inspection of the property that is the subject of this report.

* no one provided significant professional assistance to the person(s) signing this report.



Date: 6-3-99

Karen Ann Simons, MAI
AGO007057

QUALIFICATIONS OF KAREN ANN SIMONS, MAI

Experience

Karen Ann Simons & Associates, San Francisco, California (1994). Provide appraisal and consultation services for commercial improved and vacant real estate products.

Hamilton/Simons & Associates, Inc., San Francisco, California (1989-1993). **President.** Supervised staff and provided appraisal and consultation services for a variety of improved and vacant real estate products.

Landauer Associates, Inc., Los Angeles, California (1984-1988)
Senior Vice President/Director of Appraisal Services. Responsible for staff of 11 professionals. Provided valuation, marketing and financial feasibility services for a variety of improved and vacant real estate products throughout the United States.

American Savings and Loan Association, Stockton, California and Los Angeles, California (1983-84)
Vice President/Commercial Appraisal Manager. Responsible for all commercial appraisal offices and assignments outside of California and work generated by FCA/American Mortgage Corporation, the commercial lending division. Duties included establishing appraisal offices in Atlanta, New York and Chicago; establishing national fee panel; supervising and training staff; and reviewing major assignments.

Coldwell Banker, San Francisco (1973-1983)
Assistant Vice President. Provided consultation services and appraised properties throughout the Western United States for the purpose of purchase, sale, division of interest, inheritance tax, mortgage loan, and allocation of book value.

Professional Associations and Memberships

MAI: Member, Appraisal Institute (#6344)
Member: San Francisco Board of Realtors

Certification

Currently certified in the Appraisal Institute's program of continuing education for its designated members. (MAIs who meet the minimum standards of this program are awarded periodic educational certification.)

Certified General Appraiser in State of California through April 20, 2001. Appraiser No. AG007057.

Education

BA, San Francisco State University

Secondary Credentials (Lifetime), San Francisco State University

Various Appraisal Institute courses; various real estate courses required for brokerage license, College of Marin

PORT OF SAN FRANCISCO

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MEMORANDUM

June 18, 1999

TO: MEMBERS, PORT COMMISSION
Hon. Denise McCarthy, President
Hon. Kimberly Brandon, Vice President
Hon. Michael Hardeman
Hon. Brian McWilliams
Hon. Pius Lee

FROM: Douglas F. Wong
Executive Director

SUBJECT: Authorization to apply for, accept and expend $1.3 million from TEA 21, Ferry Boat Discretionary Funds, from the Federal Highway Administration (FHWA) for Purchase of a New Float and Ramp at the North Ferry Terminal, Downtown Ferry Terminal

RECOMMENDATIONS: Approve the attached resolution.

BACKGROUND

The Federal Highway Administration administers the Ferry Boat Discretionary Program (FBD), to fund ferry terminal improvements. Approximately $16 million in grant monies are funding nationwide from this program. This grant program was re-authorized by Congress in the Transportation Enhancement Act of 1998 ("TEA 21"). In the Bay Area, applications for these funds are screened and prioritized by CALTRANS and MTC.

In prior years, the Port of San Francisco has successfully competed for these funds. The Downtown Ferry Terminal project, scheduled to start construction in October 1999, received a total of $2.5 million in design and construction costs in Ferry Boat Discretionary funds. Last year, the China Basin Terminal received $2 million in FBD funds.

PROJECT DESCRIPTION

The existing float at Pier ½ is scheduled for relocation next to an essential structure to the North of Ferry Building as part of the Downtown Ferry Terminal Project. The relocation is consistent with the State and Port's interest in providing a seismically safe terminal. The

existing Pier ½ barge has been in service for eight years and needs repairs and maintenance. It is currently the only available float serving Vallejo, Oakland/Alameda, Harbor Bay and Tiburon.

The existing float and ramp are not designed to provide weather protection canopies to passengers and retrofit to accommodate canopies would be inefficient and costly. Additionally, as the ramping on the float has been modified several times to accommodate the berthing requirements of the more recent vessels, the system is less than ideal in its operation and efficiency.

As part of Phase I of the Downtown Ferry Terminal Project, the Port proposes to maintain and repair the existing float once a new float is operational at the South Ferry Terminal (mid 2000). If however, additional funds are secured through the FY 99-2000 FHWA Ferry Boat Discretionary Program, the Port can purchase a new float and ramp with canopies.

The existing float would still be dry docked and repaired for use as a backup float at an additional location either at the Ferry Building or at other Bay Area locations. The availability of a back-up float will allow for continued service in the event of scheduled maintenance of an emergency.

Without the new North Terminal float, the Port would be unable to provide canopy protection to passengers on the North Terminal float and ramp. Additionally ferry service would be consolidated to a single float at the South Terminal during construction.

This project does not require any additional environmental review because relocation of a new float next to the Ferry Building is within the scope of the Negative Declaration prepared for this project by the City Planning Department and certified on August 7, 1997, which document was considered by the Port Commission at its October 17, 1997 meeting.

PROJECT FUNDING

The proposed grant will fund the purchase of a new float and ramp which are "canopy-ready". The total project cost is $1,350,000. The FBD grant requires a local 20% match. If the Port successfully competes for this grant, staff will review funding options of Port funds (i.e. Capital Plan) or other local and state funding sources for the match of $337,500. Any commitment of Port funds would be subject to review and approval by the Port Commission at a further date.

Prepared by: Veronica Sanchez, Manager
Governmental Affairs and Nita Mizushima
Project Manager, Downtown Ferry Terminal

PORT COMMISSION
CITY & COUNTY OF SAN FRANCISCO

RESOLUTION NO. 99-43

WHEREAS, As authorized by the U.S. Congress in the Transportation Enhancement Act of 1998 ("TEA 21"), the Federal Highway Administration administers the Ferry Boat Discretionary Program (FBD), to fund capital costs for ferry terminals; and

WHEREAS, On October 14, 1997, the Port Commission approved certain actions regarding the Downtown Ferry Terminal Project, including considering a Negative Declaration (the "Negative Declaration"), certified by the San Francisco Planning Department Office of Environmental Review on August 7, 1997; and

WHEREAS, As part of the Downtown Ferry Terminal Project, scheduled to start construction in October 1999, the Port of San Francisco desires to purchase a new ferry float and ramp for the North Ferry Terminal to improve operational efficiency, safety, reliability and provide weather protection canopies; and

WHEREAS, The existing North Ferry Terminal Float would still be repaired to be used as a back-up float or for emergencies; and now, therefore, be it,

RESOLVED, That the new ferry float and ramp for the North Ferry Terminal is within the scope of the Negative Declaration; and, be it further

RESOLVED, That based upon the Port Commission's review of the Negative Declaration, the Port Commission hereby finds that: (1) modifications incorporated into the Downtown Ferry Terminal Project will not require important revisions to the Negative Declaration due to the involvement of new significant environmental effects or a substantial increase in the severity of previously identified significant effects; (2) no substantial changes have occurred with respect to the circumstances under which the Downtown Ferry Terminal Project is undertaken which would require major revisions to the Negative Declaration due to the involvement of new significant environmental effects, or a substantial increase in the severity of effects identified in the

Negative Declaration; and (3) no new information of substantial importance to the Project has become available which would indicate: (a) the Downtown Ferry Terminal Project will have significant effects not discussed in the Negative Declaration; (b) significant environmental effects will be substantially more severe; (c) mitigation measures or alternatives found not feasible which would reduce one or more significant effects have become feasible; or (d) mitigation measures or alternatives which are considerably different from those in the Negative Declaration would substantially reduce one or more significant effects on the environment; and, be it further

RESOLVED, That the San Francisco Port Commission does hereby authorize the Executive Director to apply for, accept and expend $1,350,000 in FHWA Ferry Boat Discretionary funds for the purchase of a new, canopy ready float and ramp; now be it further

RESOLVED That staff is directed to pursue funding options from State, local and Port funds to provide the 20% match for this grant in the event the Port is successful which will be subject to future review and approval by the Port Commission.

I hereby certify that the San Francisco Port Commission at its meeting of June 29, 1999 adopted the foregoing resolution.

_____

Secretary

PORT OF SAN FRANCISCO

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MEMORANDUM

June 17, 1999

TO: MEMBERS, PORT COMMISSION
Hon. Denise McCarthy, President
Hon. Kimberly Brandon, Vice President
Hon. Michael Hardeman
Hon. Brian McWilliams
Hon. Pius Lee

FROM: Douglas F. Wong
Executive Director

SUBJECT: Authorization to apply for, accept and expend Metropolitan Transportation Commission (MTC) Toll Bridge Monies in the amount of $40,000 for a Public Information Program, *"FASTFerry"* during construction of the Downtown Ferry Terminal.

DIRECTOR'S RECOMMENDATION: ADOPT RESOLUTION AUTHORIZING GRANT APPLICATION.

Background

In March 1999, the Metropolitan Transportation Commission (MTC) adopted a resolution which revised programming and allocation policies for the Five Percent (5%) Bridge Toll Revenues program. Approximately $100,000 is available out of the 5% toll monies for distribution throughout the Bay Area. The Port is applying for $40,000 of the available revenues for a public education program during construction of the Downtown Ferry Terminal. The Port opted to target this grant for this program as opposed to infrastructure costs in the Downtown Ferry Terminal project because of the minimal amount of funds available.

Included in the revisions is a policy to program and allocate funds to specific ferry capital improvement projects and planning activities identified in the Ferry Plan Update, with priority given to projects that maintain existing ferry services. The overall Downtown Ferry Terminal Project is an important element in the city's and region's transportation plans.

This Print Covers Calendar Item No. **8B**

Construction for the Downtown Ferry Terminal is scheduled to begin in September 1999. These improvements will enhance ridership and provide a safe, reliable alternative in the event of a major earthquake, thereby providing the region an alternative to driving and highway congestion. The key to the success of the project is to maintain and enhance ferry ridership during the construction period through a comprehensive public information program "*FASTFerry*". The program will include communications to the ferry commuters, local pedestrians and patrons of the area that inform them of rider schedules, changes to berthing locations, current construction status, and general safety information. The program is modeled after the successful public information programs for the Embarcadero Roadway and Mid Embarcadero.

Release of information can be accomplished by:

- Community Meetings – Periodic meetings will be held to inform the interested public of the upcoming construction stage and to hear any concerns and problems.
- Flyers – Clear concise project information will be conveyed and mailed, faxed, posted on available bulletin boards, and distributed to ferry passengers to inform them of upcoming changes to access paths, schedules, berthing locations, etc. Key contact information will be made available through these documents.
- Webpage – A webpage will be established to provide overall project information, construction progress, upcoming staging changes, and safety issues. The website will be maintained on a regular basis to keep the information current. Additionally, the website may be linked to the Port of San Francisco's website and other local agencies' including Ferry Operator sites.
- Temporary Signage Program – During construction, temporary signs will be posted to assist ferry commuters and the public in finding their way around the construction work and to their destinations with minimal discomfort.
- Pedestrian Ambassadors – Entry level attendants will monitor the key pedestrian corridors (such as ferry unloading areas) during peak hours and provide friendly direction and assistance to the public in coordinating the public access routes with the construction zones.

The Port will implement this program and will be supported and augmented with a consultant specialist. The program will be active for the duration of the construction period, which is approximately 20 months. The implementation of *FASTFerry* will be necessary in the late summer, prior to the start of construction.

Project Cost

Public Relations/ Information Consultants	$22,690
Informational Brochure, Webpage Design/Maintenance	$15,420
Pedestrian Ambassadors	$24,180
TOTAL ESTIMATED COST	**$62,290**
GRANT REQUEST	**$40,000**

The Port is requesting $40,000 in funding from MTC to support this project. This grant does not require a match, but the Port may consider supplementing the grant out of Port Capital Plan funds or other funding sources, with the Port Commission's approval. If funding is not available, the scope of work will be modified.

RECOMMENDATIONS: Staff recommends that the Port Commission approve the attached resolution authorizing the Executive Director or his designee to apply for, accept and expend Metropolitan Transportation Commission (MTC) Toll Bridge Monies in the amount of $40,000 for a Public Information Program, *"FASTFerry"* during construction of the Downtown Ferry Terminal.

Prepared by: Veronica Sanchez, Manager of Governmental Affairs

PORT COMMISSION
CITY & COUNTY OF SAN FRANCISCO

RESOLUTION NO. 99-44

WHEREAS, The Metropolitan Transportation Commission (MTC) has solicited applications for the Fiscal Year 1999-00, Five Percent Bridge Toll Revenues Program; and

WHEREAS, The Port of San Francisco has identified a public information program eligible for funding under MTC's Regional Ferry Plan Update that will compliment and enhance the priorities of the Port Commission and other regional transportation agencies; and

WHEREAS, Under the MTC Resolution, the Port of San Francisco has the authority to apply for, accept, and expend Metropolitan Transportation Commission funds; now, therefore, be it,

RESOLVED, That the San Francisco Port Commission does hereby authorize the Executive Director to apply for, accept and expend MTC 5% Reserve Bridge Toll Revenues Funds in the amount of $40,000 for Project *FASTFerry* to provide public information services that will maintain and enhance ferry ridership during the Downtown Ferry Terminal construction.

I hereby certify that the foregoing resolution was adopted by the San Francisco Port Commission at its meeting of June 29, 1999.

_____
Secretary

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MEMORANDUM

June 21, 1999

TO: MEMBERS, PORT COMMISSION
Hon. Denise McCarthy, President
Hon. Kimberly Brandon, Vice President
Hon. Michael Hardeman
Hon. Brian McWilliams
Hon. Pius Lee

FROM: Douglas F. Wong
Executive Director

SUBJECT: Authorization to Issue a Request for Proposals for the Development and Lease of Pier 45 Shed A at Taylor Street and The Embarcadero in Fisherman's Wharf, and Adoption of Amendments to the Waterfront Land Use Plan Related to Pier 45 Shed A. (Resolution No. 99-45)

DIRECTOR'S RECOMMENDATION: AUTHORIZE ISSUANCE OF REQUEST FOR PROPOSALS AND ADOPT AMENDMENTS TO THE WATERFRONT LAND USE PLAN.

This staff report provides background information regarding the proposed development of a public attraction at Pier 45 Shed A in Fisherman's Wharf, and it includes the recommendation that the Port Commission authorize staff to issue a Request for Proposals ("RFP") for this development opportunity. This report also presents recommended amendments to the Port's Waterfront Land Use Plan to make the Waterfront Land Use Plan consistent with the development concept recommended for the RFP.

BACKGROUND

The Site

Pier 45 is strategically located at the terminus of Taylor Street and The Embarcadero, at the heart of Fisherman's Wharf. Pier 45 has four shed buildings, containing a total of approximately 280,000 square feet. Sheds B and D, fronting on Fisherman's Wharf Harbor, were renovated by the Port in 1995 to provide new fish receiving and processing facilities, which are recognized among the most modern in the United States and the world. These facilities are now fully leased to 18 fish processing firms. Shed C has been reserved by the Port Commission for future expansion of fish processing facilities (pursuant to Resolution 97-83).

This Print Covers Calendar Item No. **8C**

The Site for the proposed development consists of Shed A, which contains 71,133 sq. ft. and is located at the southeast corner of Pier 45, fronting on the intersection of Taylor Street and The Embarcadero. Shed A is currently used for special events, with a small portion devoted to support space for the U.S.S. Pampanito, which is berthed at the apron adjacent to Shed A. The Site also includes the east apron of Pier 45 adjacent to Shed A and a new open space to be created at the south end of Shed A.

Pier 45 Advisory Group

In January 1996, the Port formed the Pier 45 Advisory Group made up of representatives of various constituencies comprising the Fisherman's Wharf community. This advisory group was formed to discuss and resolve operational issues concerning Pier 45 and to provide input and guidance on the uses of Sheds A and C at Pier 45. On October 14, 1997, by Resolution No. 97-83, the Port Commission adopted the following guidelines recommended by the Pier 45 Advisory Group regarding long-term uses for Pier 45 Sheds A and C:

- Shed C to be reserved for fishing industry uses including fish processing and wholesaling, truck access, storage and employee parking;
- Shed A to be reserved primarily for public attraction uses that are compatible with the fishing industry and with the Fisherman's Wharf area and include a significant maritime component;
- A portion of Shed A may be used for support space for the U.S.S. Pampanito;
- The Pier 45 east apron to be used for public access, ceremonial berthing, and U.S.S. Pampanito access and support; and
- If required for fishing industry tenants, parking shall be provided in Sheds A and/or C.

The Waterfront Land Use Plan ("WLUP"), adopted by the Port Commission in June, 1997 and approved by the Board of Supervisors in December 1997, states that, as a part of the site specific development process for a major development, an advisory group is to be formed in order to provide input and guidance to the Port as it defines the development concept to be incorporated into the RFP. As stated in the informational presentation made to the Port Commission at its March 23, 1999 meeting, Port staff has requested the Pier 45 Advisory Group to provide Port staff with input and guidance on the development concept to be included in the RFP for Pier 45 Shed A. The advisory group was expanded to include other organizations interested in Fisherman's Wharf, including SPUR, Telegraph Hill Dwellers and San Francisco Tomorrow. A list of the current membership of the Pier 45 Advisory Group is attached.

During the period of November, 1998 through June, 1999, the Pier 45 Advisory Group conducted a series of meetings to provide the Port with input and guidance on the development concept for Pier 45 Shed A. The recommendations of this advisory group are incorporated into the development concept and parameters indicated below.

THE OPPORTUNITY

As expressed in the WLUP, as well as by the Pier 45 Advisory Group and past advisory groups at Fisherman's Wharf, the Port of San Francisco and the Fisherman's Wharf

community have long desired that a high quality maritime and San Francisco Bay oriented public attraction be created on Pier 45. Towards making this vision a reality, Port staff recommends that the Port solicit proposals from qualified developers and qualified non-profit entities to lease the Site from the Port, and to develop and operate a public attraction in Shed A which meets the goals and objectives stated below under Development Concept and Parameters. The public attraction must include public attraction uses, consisting of assembly and entertainment uses, and museum uses. Certain other uses would be required or encouraged, and other uses would be permitted with restrictions, which are also indicated below.

Through a RFP process, the Port would seek a developer or non-profit entity with demonstrated experience, management expertise, and financial capacity to develop and operate this public attraction. The lease with the Port would be unsubordinated to any financing obtained by the developer or non-profit entity, and respondents would therefore need to demonstrate the ability to access equity and/or subordinate mortgage capital required to fund the development. The Port would contract with the selected respondent through a development agreement and a 50-year lease, the terms of which would be established during the exclusive negotiation period.

DEVELOPMENT CONCEPT & PARAMETERS

The recommended development concept and the parameters for the development of the Site indicated below reflect the Development Standards stated in the WLUP and the input and guidance provided by the Pier 45 Advisory Group.

Development Goals

The Port seeks a qualified developer or qualified non-profit entity who will lease Pier 45 Shed A from the Port and will develop and operate a public attraction in Shed A. The primary goal of the Port for this development is the creation of public attraction uses in Shed A which have a quality educational/learning/interpretative focus, are strong enough to significantly enhance the image of Fisherman's Wharf, and support the long term future of the fishing industry.

These public attraction uses must meet the following audience goals:

- Draw new audiences and local visitors to Fisherman's Wharf;
- Be of a quality that attracts repeated visits;
- Generate an off-season (November – April) draw;
- Be family-oriented; and
- Be affordable.

The public attraction uses must incorporate San Francisco Bay-oriented and maritime-oriented themes. The public attraction uses should also incorporate as many as possible of the following themes:

- Ecosystem of San Francisco Bay / California
- Environment
- Heritage of San Francisco Bay
- Heritage of Fisherman's Wharf / Aquatic Park
- Environmental and historic preservation

Achievement of the above Goals will be the most important criteria in evaluating proposals in response to this RFP.

The development of Pier 45 Shed A must also meet the following Planning, Financial, and Design Objectives:

Planning Objectives

1. Provide new public attractions for Fisherman's Wharf, such as arts, entertainment, educational and historical facilities, and places of public assembly, which increase the appeal of Fisherman's Wharf to local residents.

2. Provide a museum related to the themes indicated in the Goals stated above, which is operated by a non-profit organization.

3 Develop public access improvements on the east apron of Pier 45 next to Shed A, and activate this public access area with adjacent assembly and entertainment, museum, retail and other uses that attract the public.

4. Provide appropriately sized open space at the southern end of Shed A (where Tait's Restaurant is currently located).

5. Retail and restaurant uses must be subordinate, ancillary to the public attraction uses.

6. The water area adjacent to the Site must be made available for rental by the National Maritime Museum Association for berthing of the USS Pampanito, and a portion of Shed A, approximately 2,000 sq. ft., must be made available for rental by this association as support space for the USS Pampanito at its current or at a comparably convenient location, with the rental for such space to be at the market rental rate (including minimum and percentage rental) for this specific type of use.

7. The proposal should include at least 70% of Shed A (or approximately 50,000 sq. ft. of gross building area). Any residual space not included in the project should be located at the north end of Shed A.

Financial Objectives

1. Subordinate to maximizing the achievement of the Goals and Planning Objectives stated above, maximize the Port's rental revenue from Shed A over the term of the lease to help the Port meet its public trust objectives to support maritime industries, in particular the fishing industry, provide public-oriented activities and open space improvements on the

Waterfront, and to maintain Port facilities. Guarantee at least an initial minimum monthly rental to Port comparable to existing fishing industry and maritime uses (or $30,000.00 per month for the entire Shed A), with at least annual cost of living increases thereafter, and provide the Port with participation in future increased gross revenues from the development in the form of percentage rent. (The Port reserves the right to negotiate the level of minimum and percentage rental, future adjustments in such rentals, and other lease terms.)

2. Make substantial capital improvements to Shed A and to the adjacent east apron and to the area south of Shed A, including the intersection of Taylor Street and The Embarcadero.

3. Assume all of the financial risks of the development, construction, and operation of the project.

Design Objectives

1. Meet the Port's design guidelines set forth in the WLUP's Design and Access Element, as well as pertinent policies of the City's General Plan, which address issues such as height, views, orientation, architectural details, and service access.

2. Design the development to be compatible with the maritime industrial context, and orient uses physically and visually towards San Francisco Bay.

3. Retrofit and rehabilitate Pier 45 Shed A to current fire, safety, and building code standards.

4. Design the development to comply with the Secretary of Interior Standards for Rehabilitation of historic properties.

5. Provide adequate public toilets available to customers and non-customers of attraction uses.

6. Make improvements to the intersection of Taylor Street and The Embarcadero, which comply with the guidelines of the Rajappan & Meyer Study, dated December 10, 1996.

7. Comply with the access and circulation guidelines of the Rajappan & Meyer Study.

8. Reflecting the Port's commitment to encouraging diversity in design and construction contracting, the selected developer will be expected to work with the Port to establish MBE/WBE utilization goals for subcontractor participation in design and construction of the project.

Required Uses

- Assembly and Entertainment uses, which include the themes and attract the audiences indicated in the Goals for the project.

- Museum use run by a non-profit organization which includes themes stated in the Goals for the development (size not dictated).

- Public Access and Open Space uses on the east apron adjacent to Shed A and at southern end of Shed A.

- Historic Ships use consisting of berthing for USS Pampanito at apron and support space of approximately 2,000 s.f. inside Shed A - at fair market rent for this specific type of use.

Encouraged Uses

- Fishing Industry

- Visitor Services

Permitted Uses

- Ferry & Excursion, provided such uses do not interfere with Red & White Fleet operations or the USS Pampanito berthing.

- Historic Ships in addition to that indicated above as a Required Use, provided such use does not interfere with Red & White Fleet operations or the USS Pampanito berthing.

- Maritime Office, but only if ancillary to other required, encouraged or permitted uses.

- Maritime Support Services

- Temporary & Ceremonial Berthing, provided such berthing does not interfere with Red & White Fleet operations or the USS Pampanito berthing.

- Water Taxis adjacent to Shed A, provided such use does not interfere with Red & White Fleet operations or the USS Pampanito berthing.

- Assembly & Entertainment uses involving convention and meeting facilities which do not need to be limited to the themes stated in the Goals for the project

- Retail and Restaurant uses provided that:

    1. Such uses must be subordinate and ancillary to the primary public attraction uses (consisting of Assembly & Entertainment and Museum uses);

    2. Restaurant uses, consisting of food and beverage service, must not exceed 5,000 sq. ft. of gross leasable area, and retail uses must not exceed 10,000 sq. ft. of gross leasable area (the proposed gross leasable area to be used for restaurant uses and for retail uses will be stipulated as maximum use restrictions in the lease);

    3. Retail uses must offer only quality merchandize which has a direct relationship to the themes stated in the Goals, should include an educational component, should be

fixturized in a quality manner, and should not offer souvenir items and sundries which are commonly found in existing retail shops at Fisherman's Wharf;

4. There must be a mix of retail and restaurant uses; and

5. The aggregate gross leasable area occupied by Retail and Restaurant Uses should not exceed thirty percent (30%) of the gross building area of the first floor of Shed A which is included in the project (excluding any areas of Shed A not included in the project, and excluding any mezzanines constructed as a part of the project).

The conditions for retail and restaurant uses were the area of most debate by the Pier 45 Advisory Group. Restaurant uses and particularly retail uses have the potential to generate substantial revenues to contribute towards supporting the operating expenses and amortization of capital expenditures for public attraction uses. However, because of their profitability, too much retail and restaurant space also has the potential to detract from the public attraction uses, decreasing the draw of these public attraction uses and perhaps attracting only visitors already going to Fisherman's Wharf, rather than attracting new audiences. Port staff therefore believes that the conditions indicated above for retail and restaurant uses are appropriate for this RFP in order to ensure that achievement of the indicated Development Goals concerning public attraction uses is the primary purpose of this RFP. The creation of a strong public attraction in Pier 45 Shed A will best achieve the goals and objectives for Fisherman's Wharf stated in the WLUP, including indirectly generating revenue in the form of percentage rent from the existing businesses on Port property at Fisherman's Wharf, which currently produce over 21% of the Port's revenue.

- Academic Institutions provided that they are maritime-related. (While the WLUP currently indicates this use is not acceptable, it is recommended that the WLUP be amended to allow Academic Institutions as an acceptable use.)

Uses Not Permitted

- Cargo Shipping
- Passenger Cruise Ships
- Recreational Boating and Water Use
- Ship Repair
- Residential Uses
- Artists / Designers
- General Office
- Hotels
- Parking

- Recreational Enterprises
- Warehousing/Storage
- Wholesale Trade/Promotion Center
- Community Facilities
- General Industry
- Power Plant
- Sports Facility
- Transportation Services

SELECTION PROCESS

Port staff recommends a selection process consisting of the following steps:

1. Request for Proposals – Submittal of qualifications, development proposal, and financial proposal (which would be required to be accompanied with a $50,000 earnest money deposit that would be refundable to all respondents except the one with whom the Port enters into exclusive negotiations).

2. Exclusive Right to Negotiate – Selection of a developer by the Port Commission and execution of an Exclusive Right to Negotiate Agreement, which would constitute an interim contract to be utilized during the initial project approval process while the development agreement and lease are being negotiated and while environmental review of the project is being conducted. The exclusive negotiation period would be for four months, with conditional options to extend.

3. Approval of Transaction - Upon completion of any required environmental review and finalization of negotiations by Port staff, the Port Commission could approve a development agreement, a 50-year lease and related documents. The lease would be subject to approval by the City of San Francisco Board of Supervisors.

Selection Criteria

The Port would seek a development that meets all of the Port's Goals and Objectives set forth above. However, the Port's paramount criterion in selecting a developer or a non-profit entity for exclusive negotiations would be the achievement of the Goals stated above regarding the creation of public attraction uses. The relative importance of criteria for selecting a developer or non-profit entity are indicated below in descending order:

1. Achievement of Goals stated above regarding the creation of public attraction uses.
2. The experience of the developer or non-profit entity in developing and operating facilities similar to the proposed project, and the financial capacity of the developer or non-profit entity.

3. Achievement of Planning Objectives stated above.
4. Achievement of the Financial Objectives stated above.
5. Achievement of Design Objectives stated above.
6. Other selection criteria to be stated in the RFP.

Schedule

If authorized, Port staff intends to publish the RFP in August, 1999, and the RFP would allow a five-month response period.

AMENDMENTS TO THE WATERFRONT LAND USE PLAN

In that certain provisions stated in the WLUP conflict with the development concept and parameters stated above, the following amendments to the WLUP are proposed:

1. The Acceptable Land Use Table in the WLUP for the Fisherman's Wharf Waterfront should be amended to indicate Academic Institutions as an Acceptable Use for Pier 45.

2. The following Development Standard should be added to the WLUP relating to Pier 45 East Side.

   "Academic Institutions uses are permitted in Shed A of Pier 45 provided that they are maritime-related."

3. The following Development Standard for Pier 45 East Side in the Fisherman's Wharf Waterfront section of the WLUP should be deleted:

   "If feasible, incorporate an appropriately sized open space at the southern end of Pier 45, with an accessory retail use oriented to users of the open space."

   It should be replaced with the following Development Standard:

   "Provide appropriately sized open space at the southern end of Pier 45."

RECOMMENDATION

Port staff recommends that the Port Commission authorize and direct staff to issue an RFP for the development and lease of the Site which incorporates the terms indicated above. Prior to issuing this RFP, Port staff plans to solicit comments from the staff of the San Francisco Planning Department and BCDC, which may require some refinements in the RFP language. Port staff further recommends that the Port Commission adopt the amendments to the WLUP indicated above and make the WLUP consistent with the recommended development concept and parameters indicated above. These amendments to the WLUP are based upon the Final Environmental Impact Report for the Hyde Street Harbor / Pier 45 Sheds A & C, which was

certified on December 12, 1996, and on the Final Environmental Impact Report for the Waterfront Plan, which was certified on January 9, 1997.

Prepared by: Kirk Bennett
Manager, Waterfront Development Projects

PORT COMMISSION
CITY & COUNTY OF SAN FRANCISCO

RESOLUTION NO. 99-45

WHEREAS, Charter Section 3.581 empowers the Port Commission with the authority and duty to use, conduct, operate, maintain, manage, regulate and control the lands within Port jurisdiction; and

WHEREAS, Pursuant to the site specific process indicated in the Waterfront Land Use Plan ("WLUP") for major development projects, Port staff convened the Pier 45 Advisory Group to provide the Port with input and guidance on the development concept being considered for Pier 45 Shed A and the adjacent open space and public access areas (the "Site"); and

WHEREAS, Port staff has received input and guidance from the Pier 45 Advisory Group on the development concept and parameters for the development of the Site with public attraction and ancillary uses; and

WHEREAS, The Port Commission now wishes to proceed with the development of the Site with public attraction and ancillary uses; and

WHEREAS The Port is committed to diversity in the design and construction opportunities represented by this project; and

WHEREAS, The issuance of a RFP does not commit the Port to proceed with the project and the Port reserves the discretion as to whether to approve a lease or development agreement for the project until after environmental review has been completed in compliance with the California Environmental Quality Act ("CEQA"); and

WHEREAS, The Port Commission requires competitive bidding of this opportunity; and

WHEREAS, Amendments to the WLUP are appropriate, which are based on the Final Environmental Impact Report for the Hyde Street Harbor / Pier 45 Sheds A & C, which was certified on December 12, 1996, and on the Final Environmental Impact Report for the Waterfront Plan, which was certified on January 9, 1999; now therefore, be it

RESOLVED, That the Port Commission hereby authorizes and directs Port staff to issue a RFP to lease, develop and operate a public attraction on the Site in accordance with the terms set forth in the memorandum to the Port Commission for Item No. 8C of the Port Commission's June 29, 1999 meeting, a copy of which is on file with the Port Commission Secretary; and be it further

RESOLVED, That the Port Commission hereby adopts the following amendments to the Waterfront Land Use Plan:

1. The Acceptable Land Use Table in the WLUP for the Fisherman's Wharf Waterfront should be amended to indicate Academic Institutions as an Acceptable Use for Pier 45.

2. The following Development Standard should be added to the WLUP relating to Pier 45 East Side.

   "Academic Institutions uses are permitted in Shed A of Pier 45 provided that they are maritime-related."

3. The following Development Standard for Pier 45 East Side in the Fisherman's Wharf Waterfront section of the WLUP should be deleted:

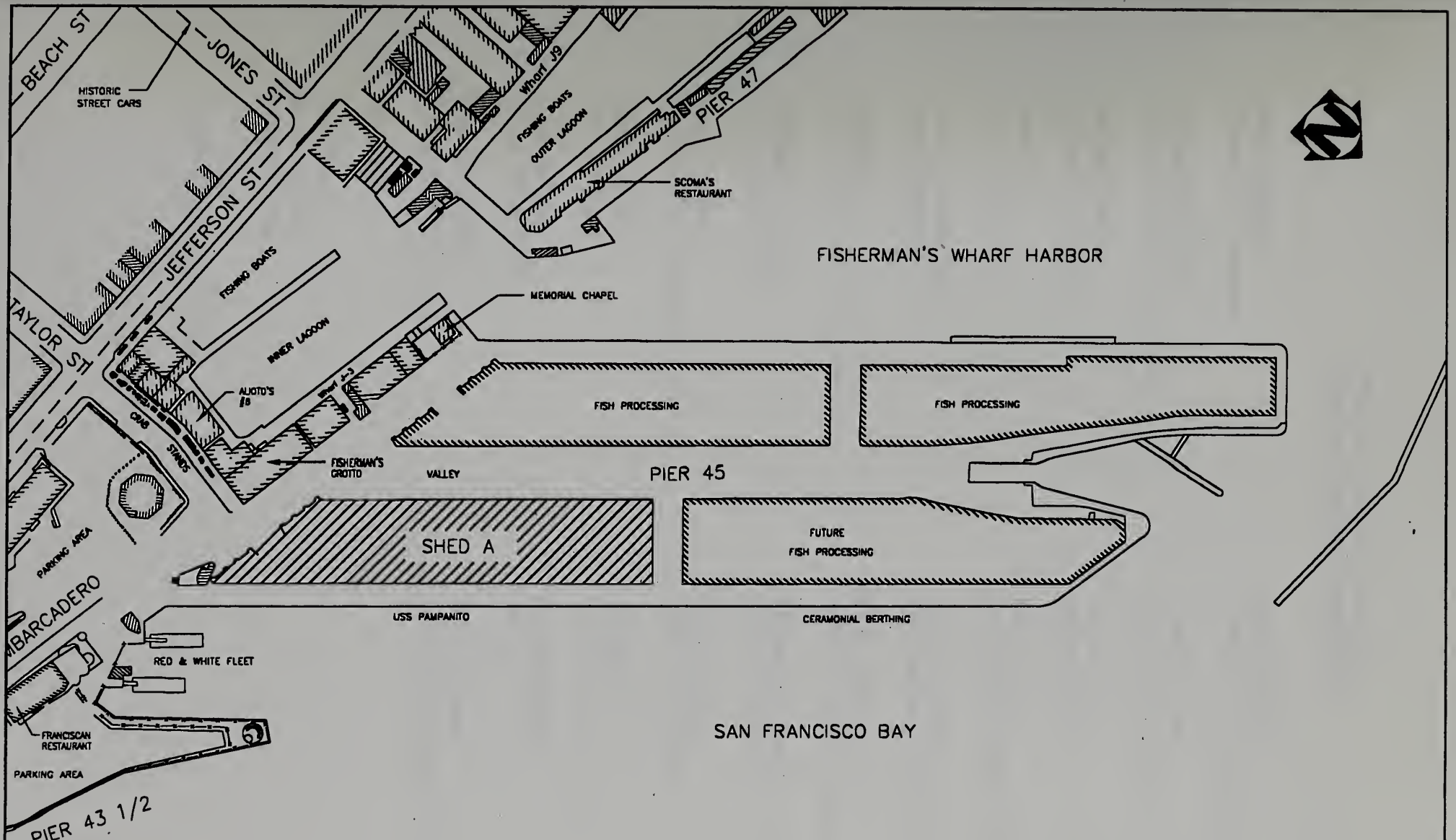
   "If feasible, incorporate an appropriately sized open space at the southern end of Pier 45, with an accessory retail use oriented to users of the open space."

   It should be replaced with the following Development Standard:

   "Provide appropriately sized open space at the southern end of Pier 45."

I hereby certify that the foregoing resolution was adopted by the San Francisco Port Commission at its meeting of June 29, 1999.

_____
Secretary



APPROVED BY SAN FRANCISCO PORT COMMISSION DATE _____ _____ CHIEF HARBOR ENGINEER	SAN FRANCISCO PORT COMMISSION PORT OF SAN FRANCISCO DEPARTMENT OF ENGINEERING	PIER 45 SITE PLAN	DRAWN BY: ECC CHECKED BY DRAWING NO. DATE: MAY 17,1999 SCALE: NONE SHEET NO. OF SHEETS

PIER 45 ADVISORY GROUP
LIST OF CURRENT MEMBERS

Nunzio Alioto
Alioto's # 8 Restaurant

Alessandro Baccari
Fisherman's Wharf Association

Michael Berline
Berline & Associates

John Caito
Caito Fisheries, Inc.

Tom Creedon, Chair
Scoma's Restaurant

Dale Hess
SF Convention & Visitors Bureau

Michael La Rocca
A. La Rocca Seafood

Kathy Lohan
National Maritime Museum Assn.

Chris Martin
The Cannery

Tom Escher
Red & White Fleet

Leo McLaughlin
Telegraph Hill Dwellers

Gentle Blythe
Telegraph Hill Neighborhood Center

Jennifer Clary
San Francisco Tomorrow

Meg Reilly
Dolphin Club

Bob Miller
SF Crab Boat Owners Assn.

Kevin Westlye
The Franciscan Restaurant

Phil Bentivegna
BUTCHIE B Sport Fishing Boat

Philip DeAndrade
Congresswoman Pelosi's Office

Kurt Jacobsen
H&N Fish Company

Al Herce
Department of Parking & Traffic

David Robinson
SPUR

Sal Tarantino
S.P. Tarantino Insurance Company

Port Staff

Kirk Bennett
Richard Hentschel
Marshall Foster

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PORT OF SAN FRANCISCO

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MEMORANDUM

June 22, 1999

TO: MEMBERS, PORT COMMISSION
Hon. Denise McCarthy, President
Hon. Kimberly Brandon, Vice President
Hon. Michael Hardeman
Hon. Brian McWilliams
Hon. Pius Lee

FROM: Douglas F. Wong
Executive Director

SUBJECT: Approval of consultant contract for the Fisherman's Wharf Interpretive Signage Program for graphic and signage design services.

DIRECTOR'S RECOMMENDATION: APPROVE RESOLUTION AUTHORIZING THE PORT TO ENTER INTO A CONTRACT WITH THE SIBBETT GROUP FOR THE FISHERMAN'S WHARF INTERPRETIVE SIGNAGE PROGRAM.

The Fisherman's Wharf Interpretive Signage Program is a project to enhance visitor's enjoyment and knowledge of the Wharf area and fishing industry. This 30 to 35 panel sign program will be placed along the edge of the Bay between Powell and Hyde Streets to explain the history and current workings of the fishing industry and provide geographical orientation to pedestrians. The series of displays is intended to create a memorable self-guided tour through Fisherman's Wharf.

Content for the signage program was developed by Port staff and reviewed by the Fisherman's Wharf Board of Governors and selected individuals familiar with the history and workings of the fishing industry. The program concept was also previously presented to and approved by the Port Commission in August 1997. On March 9, 1999 the Commission authorized staff to issue a request for proposals for a consultant team to perform final program refinement, graphic design, and editing of the signage.

THIS PRINT COVERS CALENDAR ITEM NO. 8D

Staff issued the RFP on April 2, sending 114 notices to various consultants and agencies of which 85 were sent to HRC certified firms or outreach agencies. The request did not contain subconsulting goals due to the limited size of the contract and the probability that a single firm would perform the entire scope of services. Eleven design firms responded to the Port's request for proposals of which six firms received a HRC preference. The eleven firms were Artefact Design, Denis Ko Production Art, General Graphics, Jennings-Ackerly Architecture, Keilani Tom Design Associates, Morla Design, Naganuma Design, Reineck & Reineck, Pouncing Pachyderm Productions, Studio L'Image, and the Sibbett Group. The review team evaluated all proposals and selected four firms for interviews, two of which were eligible for an HRC preference. The four firms interviewed were Keilani Tom Design Associates, Naganuma Design, Reineck & Reineck, and the Sibbett Group. Based on the criteria stated in the request for proposals the Sibbett Group scored the highest rating.

The Sibbett Group's superior rating reflects the broad expertise of it's nine professionals with expertise in exhibit design, signage interpretation, research, education in exhibits, graphic design and art, photo image research, and project management. This team has completed similar projects such as the Fisherman's Terminal interpretive signage program in Seattle and selected projects at the Bay Area Discovery Museum and the San Francisco Maritime National Historic Park. The Sibbett Group is a small San Francisco business enterprise but does not have HRC certification.

The Fisherman's Wharf Interpretive Signage Program is fully funded for design and construction by a combination of $200,000 from the Port's 1995-96 Capital Plan and $80,000 in grant funds from the Coastal Conservancy. Port staff has negotiated a proposed contract scope with the Sibbett Group for a fee of $120,371. The contract scope will include background research, layout and design, photo research, writing and editing, mock-up of presentation materials, and final design. When the consultant's work is complete the Port will bid the fabrication of the sign panels and Port crews will construct and install the sign supports.

Upon authorization from the Port Commission to execute this design contract, the consultant will begin work in July, and complete the layout and design by early fall. Staff will then return to the Commission with the proposed program prior to fabrication. Staff's goal is to complete program fabrication and installation by the early part of next year.

Prepared By: Dan Hodapp, Project Coordinator

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 99-46

WHEREAS, Fisherman's Wharf is a major visitor destination in San Francisco receiving over 13 million visitors annually; and

WHEREAS, The historic and current fishing industry is the underlying reason for Fisherman's Wharf popularity, yet visitors encounter difficulty when they seek to view, or gain an understanding of the daily functions of the industry; and

WHEREAS, The Port Commission previously reviewed and approved the concept for a Fisherman's Wharf Interpretive Signage Program in August, 1997 as a way to promote understanding and appreciation of the authentic workings of the fishing industry; and

WHEREAS, The Port Commission approved $200,000 in funding for the Program in the 1995-96 Capital Plan and the Coastal Conservancy provided a grant of $80,000 for the program; and

WHEREAS, The Port staff has developed the program concept for interpretive signage, including 32 draft sign panels, and completion of the program requires the expertise of a graphic designer and editor; and

WHEREAS, Port staff issued a request for proposals on April 2, 1999, from design professionals who are qualified to provide services for this project, eleven firms responded with proposals, and in evaluating the proposals, Port Staff has determined the Sibbett Group to be the most qualified for the project; now, therefore be it

RESOLVED, That the Port Commission authorizes the Executive Director to enter into a contract in the amount of $120,371 with the Sibbett Group for professional graphic design services including program refinement, graphic design, and editing for the Fisherman's Wharf Interpretive Signage Program.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of June 29, 1999.

_____
Secretary

PORT OF SAN FRANCISCO

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MEMORANDUM

June 23, 1999

TO: MEMBERS, PORT COMMISSION
Hon. Denise McCarthy, President
Hon. Kimberly Brandon, Vice President
Hon. Michael Hardeman
Hon. Brian McWilliams
Hon. Pius Lee

FROM: Douglas F. Wong
Executive Director

SUBJECT: Informational presentation of proposed PortWalk Design Standards for new open spaces along the waterfront.

DIRECTOR'S RECOMMENDATION: REVIEW PRESENTATION AND PROGRESS TO DATE OF PORTWALK DESIGN STANDARDS FOR NEW OPEN SPACES.

The "PortWalk", as described in the *Waterfront Land Use Plan* is the network of public walkways and open spaces that allow pedestrians to follow the edge of the Bay along the Port of San Francisco waterfront. It includes the public spaces that extend out onto piers and the continuous public walkway along The Embarcadero and other waterfront edge streets. Herb Caen Promenade along the Embarcadero Roadway, Pier 7, and South Beach Park are major sections of the PortWalk already in place. As new projects are developed along the waterfront, new plazas, perimeter pier access and other open spaces will expand the PortWalk.

The Port staff has developed design standards for the PortWalk to ensure that future development and construction projects will maintain architectural and functional consistency in their treatment of public walkways and open spaces along the entire waterfront. This report explains the background and current status of the Port's ongoing efforts to develop these design standards.

In developing Design Standards the Port's primary purpose is to prepare a common body of knowledge for designing and reviewing new public open spaces. Architects, developers, Port and City Staff and the Waterfront Design Advisory Committee will use the PortWalk Design Standards. The Design Standards are intended to give guidance for improvements within new open spaces along the waterfront that will insure a minimum level of design consistency and opportunities for creativity. The Waterfront Design Advisory Committee strongly encouraged Port staff in this undertaking.

THIS PRINT COVERS CALENDAR ITEM NO. **8E**

The goal of the Design Standards is to emphasize the setting of San Francisco's waterfront – its open spaces, views, and its bold architecture. The guiding vision for the Design Standards is stated as follows:

> *Most public open spaces along the Port's waterfront should be improved as a quiet background to the waterfront's spectacular natural and built features. Improvements should be simple and minimalist in form and character.*

Improvements to the PortWalk should be simple and minimalist in form and character so that the natural beauty of the waterfront casts the strongest visual image. Certain locations along the waterfront that are planned for major development or large open spaces may warrant different PortWalk design features reflective of their use or area (e.g. PacBell Ballpark, Ferry Building). The PortWalk Design Standards include Evaluation Objectives for reviewing design variations to ensure these areas complement and enhance the overall character of the PortWalk.

The Design Standards provide three levels of review guidance:

1. Required Design Standards for color of bulkhead buildings; lighting of bulkhead buildings; and paving of the PortWalk in the most typical types of open spaces;
2. Design Criteria for the design and selection of: benches, railings and bullrail edges, trash and recycling containers, pier shed lighting on historic finger piers, signage, and planting;
3. Evaluation Objectives to assess all other improvements that may be placed within the PortWalk:

- Functionally Appropriate – for their purpose;
- Character – that complements and enhances the waterfront setting;
- Durability – for permanence, waterfront conditions and a high level of public use;
- Maintainable – within achievable maintenance requirements.

When unique use or site characteristics make other design solutions more appropriate, it will be the responsibility of the project sponsor to show how the goals of the PortWalk Design Standards are being met.

Port staff developed these standards in consultation with the Waterfront Design Advisory Committee. The Design Standards were also reviewed by the American Institute of Architects Urban Design Committee, featured at a San Francisco Planning and Urban Research luncheon, and will be reviewed again by the Waterfront Design Advisory Committee and San Francisco Beautiful on July 20. Following these reviews and further refinement, staff will return to the Port Commission to request adoption of the Design Standards as a portion of the *Waterfront Design & Access Element*.

Prepared By: Dan Hodapp, Project Coordinator

CITY & COUNTY OF SAN FRANCISCO
PORT COMMISSION

MINUTES OF THE SPECIAL MEETING
4:00 P.M., TUESDAY, JUNE 29, 1999

1. ROLL CALL

Commission President Denise McCarthy called the meeting to order at 5:07 p.m. The following Commissioners were present: Denise McCarthy, Kimberly Brandon, Michael Hardeman, Brian McWilliams and Pius Lee.

2. APPROVAL OF MINUTES

ACTION: Commissioner Lee moved approval; Commissioner Brandon seconded the motion. All of the Commissioners were in favor; the minutes of the June 8, 1999 Special Meeting were adopted.

ACTION: Commissioner Brandon moved approval; Commissioner Lee seconded the motion. All of the Commissioners were in favor; the minutes of the June 8, 1999 Regular Meeting were adopted.

3. EXECUTIVE

A. Executive Director's Report: Mr. Wong reported the following:

1) Ferry Terminal Conference – On Friday, June 25th, the Port hosted a Ferry Terminal Conference at Gabbiano's Restaurant. He thanked Commissioners Pius Lee and Brian McWilliams for attending the conference. The Mayor was also in attendance and provided his views and perspectives on the potential for expanded water transit on San Francisco Bay. The Mayor also expressed his strong support for the legislation introduced by Senator Don Perata that would establish the Bay Area Water Transit Authority. Mr. Wong indicated that he served on the Executive Committee of the Task Force that developed recommendations for the system. The Perata bill has already passed the California Senate and is scheduled to be heard in its first Assembly Committee on July 12th. Staff will be seeking Commission's approval of a resolution in support of the legislation.

2) ESPN X Games - The ESPN X-Games, a free Olympic style, extreme sport competition, is being held at Piers 30/32 that began Friday, June 25 and will continue through July 3, 1999. The hours of operation are noon to 9:00 p.m., with approximately 10,000 people expected to attend daily. Approximately 50,000 people attended this past weekend.

ESPN has been working closely with the Port Commission, Police Department, and other City agencies to ensure a safe and responsible event. During all hours of operation there have been added police and parking & traffic control officers to provide security and facilitate traffic flow. Mr. Wong thanked Jeff Bauer for all his efforts in coordinating the event.

3) The 4th of July weekend looks to be one of the busiest times of the year at the Port as the 4th of July waterfront fireworks celebration is being combined with a visit of a flotilla of tall ships from around the world. The fleet of tall ships will be at the Port beginning with a parade of ships on July 2nd. The parade will begin at 1300 hours and will include six Class A tall ships, 20 Class B & C tall ships, the Jeremiah O'Brien as well as a number of other historic vessels. It will begin at the Golden Gate Bridge, down the waterfront and ending under the Bay Bridge.

4) Cruise Ship Promotion – As part of the Port's commitment to Princess Cruise Lines, one of our homeported Alaska cruise lines, the Port did a joint marketing effort with the City & County of San Francisco's Credit Union to offer discounted cruise packages to City employees. Flyers were mailed out with the City employee's paychecks on June 1st. Carlos Afre, You & Leisure Travel, a Port tenant, packaged the cruise vacations, featuring cruises out of San Francisco. Mr. Afre reported that he received approximately 100 inquiries. The Port is pleased that this promotional campaign was well received by City employees. It helps the Port promote its identity as a cruise port within our City family and shows our commitment to promoting our cruise customers. A copy of the flyer has been provided to the Commission.

Commissioner McCarthy mentioned Commissioner Lee's request to have Item 8C heard around 6 p.m. There were no objections from the Commission.

Commissioner McCarthy thanked Peter Dailey and Gerry Roybal for arranging a tour of the Vancouver Port en route to her cruise to Alaska. She visited both the Canada Place Cruise Terminal and the Ballantyne Pier, Vancouver's mixed-use cruise terminals. She believes that her visit to Vancouver's cruise terminals will be useful during the Commission's deliberation of the Pier 30/32 cruise terminal project.

B. Approval of and recommendations regarding the design plans, site remediation plans and drainage plans for the Ballpark Parking Lots located south of China Basin Channel on or near Third Street. (Resolution No. 99-47)

Mr. Paul Osmundson, Director of Planning & Development, indicated that since September 1997 when the Commission approved the parking lot lease for SWL 337 with CBBC, Port staff has been working with the Giants to establish and come up with appropriate design for parking areas to support the new Giants ballpark. The CBBC along with Imperial Parking, their subtenant for the Port's parking lease at SWL 337, have been working with different City agencies to prepare a design that will meet public's acceptance and approval. Agencies with whom Port staff and the

Giants have been working with include: the Public Utilities Commission, the Planning Dept. Dept. of Public Works, Dept. of Parking & Traffic and the Dept. of Building Inspection.

Mr. Osmundson indicated that the purpose of this item is to allow the Commission to review and approve specific design concepts for the Port parking lots. Port staff recommends that the Commission approve the parking lot design for Lot E, which is under the Port's jurisdiction. Mr. Osmundson requested the Commission to recommend to other City agencies approval of Lots A, B, C and D which are outside of Port's jurisdiction. Those requirements are the subject of two different settlement agreements regarding the approval of the ballpark and parking lot.

Kari Kilstrom, Planning & Development, indicated that CBBC entered into a 10-year lease with the Port for SWL 337. Parking lots A, B, C and D are on land owned by the Catellus Development Corporation and the City and County of San Francisco, with leases ranging from 2-6 years. The proposed parking lots outside of Port jurisdiction are within the Mission Bay South Redevelopment Area. These parking lots are being developed as an interim use for both the Port and the Catellus property. Catellus will be building out its Mission Bay Plan in phases and will take down the parcels. The Port's long-term plan for Lot E is a combination of maritime and open space area.

With regard to the drainage plan, Ms. Kilstrom indicated that the storm water from the paved surfaces would generally flow through the City's combined sanitary and storm water sewer system. During heavy rain periods, the system sometimes overflows at certain discharge points into the bay. One of the key design features of the drainage system is that the parking lots are drained in a manner that will not cause additional overflows of the City's combined systems. Storm water would enter the system at inlets throughout the parking lots. Each inlet is equipped with an oil absorbent filtration system. The water flows into the existing storage box along Channel Street. During periods of normal rainfall, water would flow into the City's southeast plant for treatment. During major storm events, flow from the parking lots would be shut off when the storage box is at 85% of its capacity. The water would then be rerouted and diverted through one of two liquid/solid separator treatment systems and then piped through a storm water outfall in the Bay located near the Fourth Street Bridge. Once the volume of water in the storage box drops below 26% of its storage capacity, storm water will again be routed to the storage box and back into the City's treatment plant. The storm water runoff from the parking lots will not increase the current incidence of combined sanitary stormwater overflows into the Bay as a result of the shut-off system. The drainage design is highly desirable from a water quality standpoint and has been favorably reviewed by BayKeeper.

Ms. Kilstrom indicated that the project manages the risk associated with potential contaminated soils. Geometric Consultants performed soil tests for the Port lot and the lots on Catellus' property and their work was closely coordinated with the Dept. of Public Health. On the Port's Lot E, the concentrations of potentially hazardous constituents were found to be below levels that would pose a health risk. A Soil

Management Plan was prepared to control dust and minimize erosion. For Lots A through D on the Catellus property, there is an existing Risk Management Plan for Mission Bay approved by the Regional Water Quality Control Board in May. That plan contains all of the appropriate guidelines for managing the potential risk associated with soil and groundwater. By agreeing to abide by the provisions of these plans, the project would be in compliance with the City's Maher Ordinance or Article 20.

With regard to the design plan, Ms. Kilstrom indicated that a low-rise vinyl coated chain link fence would be provided around the perimeter of all the parking lots. Vines that blossom during the spring and summer months will be planted at 10-foot intervals along all sides of Lot E and along the most visible sides of the Catellus lots. Also, several clusters of trees will be planted along the Channel Street edge of Lot B as a further screen between the Mission Creek Harbor area and the parking lots.

Paul Osmundson indicated that the Commission received a letter from Mission Creek Harbor Association and San Francisco Tomorrow regarding identifying additional locations for clusters of trees to be planted around Lot E and requesting staff to negotiate a detailed plan on limiting commuter parking at the parking lots. He asked for Commission's guidance and directions whether staff should seek to identify additional areas for trees to be planted around Lot E. With respect to the commuter parking issue, Port staff believes that the conditions on Attachment B and the lease adequately cover the requirements of commuter parking lot operations.

Jennifer Clary, San Francisco Tomorrow, thanked everyone involved in this process, specifically Kari Kilstrom, Jack Bair, and Beth Goldstein of PUC. She asked the Commission to consider the landscaping issue. With regard to the commuter parking issue, she indicated that the conditions attached to the resolution were not very detailed and asked for the opportunity to have more input. She requested Commission's approval of their requests as specified in the letter. Ms. Clary commented that they are happy with the drainage plan as they have worked very hard to get a separate storm water and waste water system in the Mission Bay Plan south of the channel. They are still waiting for additional information on non-game day control measures and signage plan.

Jeffrey Leibovitz, member of the Bryant Street Waterfront Advisory Board, commended the Giants for working with appropriate agencies and addressing the stormwater issues. The Giants did a wonderful job and they hope that this will set precedence for other developments along the waterfront. He endorsed the landscaping issue that the Mission Creek Houseboat Association and San Francisco Tomorrow proposed. He indicated that the 42-inch fence is inadequate and the lighting issue is still a concern. This item was raised in the EIR as a mitigation for Potrero Hill. He recommended that the Commission review the lighting issue before approving the plan.

Mark Lozeau, Executive Director of San Francisco BayKeeper, indicated that the BayKeeper is in support of the option that was selected for the parking lot design

although they preferred Option B. Option A is a good second choice as it will prevent additional contributions to the zero overflows along the east side of the City and it will provide for at least two tiers of treatment in almost all of the storm events that will occur at the site. He echoed Mr. Leibovitz's comments about this interim project setting a good precedence for other projects and he hoped that the Port could make more progress on permanent projects along the waterfront and to slowly ration down on overflows.

Corrine Woods, Mission Creek Harbor Association, indicated that they have been very pleased with their discussions with the Giants. The only two remaining issues are the additional screening on Lot E and controlling commuter parking. She indicated that there originally was a plan to clean up commuter parking which would be effective when attendance is low at the ballpark or during non-game days. The permit for the parking lots is strictly for PacBell Ballpark use and the neighbors are opposed to the concept of commuter parking and the Giants were in agreement. She asked that they be included in the process of figuring out how to control and restrict those uses. On the other hand, they were pleased with the storm water situation.

Jack Bair, CBBC representative, thanked Port staff and various community groups for setting a plan acceptable to most of the parties involved. He pledged their continued cooperation with BayKeeper, San Francisco Tomorrow, Mission Creek Harbor Association and the Port as they press forward and operate the parking lots. With regard to commuter parking, CBBC's lease with the Port does not entitle them to use the parking lot for commuter parking. It is for ballpark-related uses only. Mr. Bair indicated that if there were a desire to have commuter parking, that would be through an additional and separate process. With regard to the lighting, Jeffrey Leibovitz's comment is correct that this is an issue of great concern to the Potrero Hill Neighborhood. However, this issue has been addressed in the lighting installation plan and included in the EIR addendum which indicates that the lighting to be used not create glare for the Potrero Hill Neighborhood.

Commissioner Hardeman congratulated the Giants and Port staff for doing a remarkable job on this project. Commissioner Brandon thanked everyone involved especially with regard to the drainage plan. In response to SFT and MCHA letter, Commissioner McCarthy indicated that, at this point, landscaping is a huge issue and will be addressed at a later time. Having trees located in or near the parking lots would create security concerns.

ACTION: Commissioner Hardeman moved approval; Commissioner Lee seconded the motion. All of the Commissioners were in favor; Resolution No. 99-47 was adopted.

4. CONSENT CALENDAR

A. Approval of sublease from the Franciscan Restaurant to Tower Tours under Port Lease No. L-7496 for premises located at Pier 43-½ for use of approximately 2,100 sq. ft. for bus tour ticket sales. (Resolution No. 99-50)

Commissioner Brandon asked about the Port's cost to relocate GBTC. Mr. Philip Smith indicated that staff is working with GBTC for the relocation and will get back to the Commission if there are any associated costs to the Port.

ACTION: Commissioner Hardeman moved approval; Commissioner Lee seconded the motion. All of the Commissioners were in favor; Resolution No. 99-50 was adopted.

5. MARITIME

A. Approval of amendments to Port Tariff No. 4 regarding fish sales from commercial fishing vessels at Fisherman's Wharf Harbor. (Resolution No. 99-48). THIS ITEM HAS BEEN CONTINUED TO THE NEXT MEETING.

B. Adoption of Maritime Rental Rate Schedule. (Resolution No. 99-49)

Mr. Peter Dailey, Maritime Director indicated that in 1993, the Port Commission, by Resolution 93-127, as amended by Resolution 93-135, authorized Port staff to enter into leases without specific Port Commission approval of each lease, provided that the leases meet certain criteria which constitute approved leasing parameters.

Most recently, in May of 1998, the Port Commission approved the Rental Rate Schedule that sets leasing parameters with set ranges of lease rental rates per square foot by type of lease and facility. These rent levels were set based upon a survey of rental comparables by a professional real estate appraisal firm. While the study included overall analysis of the local real estate market and identified market rates for Port properties, it did not survey competing California ports to determine their rates for industrial maritime related uses. This lack of information has hampered Port staff in determining fair market rates for its properties and piers for maritime industrial users. There now exists a wide variance in rates for similar maritime industrial uses that the current rent schedule does not address. Non-maritime industrial rates for warehouse uses in the waterfront tend to be significantly higher as compared to other ports for maritime industrial uses.

For this reason, the Port's Maritime division retained the real estate appraisal firm of Karen Ann Simons and Associates to conduct a comprehensive study of the maritime industrial rental markets of competing California ports. The study includes an overall analysis of seven California ports analyzing rates for maritime industrial uses such as warehouse, container freight station, cross dock transloading, foreign trade zones, customs examination stations, apron space, paved/unpaved land and ancillary office rates.

Maritime industrial uses are defined as the lease of a pier apron, pier shed space, paved or unpaved land for commercial non-retail uses including ocean cargo warehousing, ocean cargo transloading, central examination stations for oceanbourne cargo, foreign trade zones, U.S. Customs bonded warehouses for oceanbourne cargo, intermodal trucking companies and commercial harbor service companies such as tug, tow, or commercial water taxis.

These uses are vital to the maritime businesses of the Port of San Francisco. Cargo sourcing warehouse activities attract importers and exporters who, due to the proximity of Pier 80, ship their cargo with Port of San Francisco shipping line customers thus generating secondary revenues to the Port through wharfage and dockage. This allows the Port to attract more shipping lines that will in turn positively impact our tug and tow operators and harbor services tenants. One of the Port's major impediment to growing our maritime business is sometimes our peninsula location is not as competitive to the Port of Oakland. We have tried in the past to source export cargoes on Port property to help overcome the geographic disadvantage.

Leases will fall under the maritime industrial status if they meet all of the following criteria which constitute approved Leasing Parameters:

1. The lease is for space included in the above definition of maritime industrial rent schedules adopted by the Port Commission, and the lease conforms to this Rental Rate Schedule;

2. The tenant signs the Port's standard form lease (adopted by Resolution No. 93-127), except for minor changes approved by the City Attorney or changes in insurance requirements approved by the City Risk Manager;

3. The lease will not exceed five years.

4. Rent credits given for tenant improvements do not bring the net effective rent over the term of the lease below the minimum rent parameters;

5. The lease may include one month of free rent for construction prior to the commencement of rent;

Based upon the recommendations contained in the Maritime Industrial Rent Survey Appraisal Report prepared by Simons and Associates, in order to attract and retain maritime industrial uses to our Port, staff recommends that rate levels be at or slightly below the rates of the other competing Bay Area ports. This Rental Rate Schedule presents a range of rents taking into account the rates of similar types of properties at competing California ports.

With the adoption of this Maritime Industrial Rental Rate Schedule, Port staff will be authorized to enter into leases without specific Port Commission approval of each lease provided that the lease conforms to all the pre-approved Maritime Industrial Leasing Parameters and rates included in the Maritime Industrial Rental Schedule.

Port staff would not be authorized to enter into leases at rental rates below those shown on the Maritime Industrial Leasing Rate Schedule without specific authorization from the Port Commission, but Port staff would be authorized to enter into leases at rental rates above those shown on the Maritime Industrial Schedule when unique characteristics of the premises or continued improvement in the rental

markets make such higher rents appropriate. This authorization would be conditioned upon Port staff providing the Commission within thirty days following each calendar month a summary of leases entered into and subleases or assignments consented to during that month. The intent of this is to give Port staff a guideline to attract businesses. We want to have cargo sourcing and other types of uses along the waterfront.

Claude Jacques, Foreign Trade Zone President and Port Tenants Association Secretary, indicated that they have formed a "think-tank" that would bring containers to the Port. Mr. Dailey's proposal is the best thing that ever happened to FTZ and they wholeheartedly support the proposal.

Commissioner McWilliams indicated that there were no prior parameters set for the Port to quoted rent prices to potential customers. Setting the parameters would give staff the ability to market the Port. He asked when Port staff would be able to report back to the Commission regarding problems that were not anticipated. Mr. Dailey replied that in the last six months, there have been demands for maritime industrial use as activities at Pier 80 have increased. By the first of the year, staff would be able to apprise the Commission of its status. Commissioner McWilliams supports staff's recommendation but would like to review it in the future and offer guidelines. He would like to support staff in making decisions that best impact the greater community, the impact on our ability to attract work even if it does not equate to the financial statement. For instance, he would rather have commercial cargo on a dock even if it brought less revenue than having somebody park RVs. He would rather have maritime cargo than domestic commercial cargo if it meant compensating those particular employers for higher cost they experience. The ultimate result might be increased cargo or increased ancillary benefits that might not directly equate the net income to the Port.

Mr. Dailey indicated that Commissioner McWilliams brought up a good point. Staff, however, is not so focused on the bottom line. If we could get a lumber container freight station that would benefit the Port's Australia/New Zealand container carriers on Port property, it would give them advantage in terms of working that cargo. The more cargo that moves through our shipping lines, the more the Port receives secondary revenue. The purpose of setting the standards is to generate more maritime industrial cargo warehouse sourcing activities from the waterfront that would help the Port in its marketing effort. If staff needs to go below market or be more creative, it would give staff the flexibility to come back to the Commission for authorization. Mr. Dailey indicated he will brief the Commission of its progress in the next couple of months.

ACTION: Commissioner Lee moved approval; Commissioner Hardeman seconded the motion. All of the Commissioners were in favor; Resolution No. 99-49 was adopted.

6. REAL ESTATE

7. FACILITIES & OPERATIONS

8. PLANNING & DEVELOPMENT

A. Authorization for the Executive Director to apply for, accept and expend $1.3 million of Ferry Boat Discretionary Funding, TEA 21 from the Federal Highway Administration, for the North Ferry Terminal. (Resolution No. 99-43)

Veronica Sanchez, Manager Governmental Affairs, requested Commission's approval to authorize the Executive Director to apply for, accept and expend $1.3 million of Ferry Boat Discretionary Funding, earmarked for ferry terminals to purchase a new float and a ramp for the North Ferry Terminal. Part of the project requires moving the north terminal next to the Ferry Building. The ramp is not canopy ready and it's CTC's priority to provide weather protection system for the passengers. With the availability of this funding, Port staff will purchase a float that can be retrofitted and easily adaptable to the canopies. It would also give the Port maximum flexibility to respond to emergencies. The grant request is $1.3 million and the matching funds require Port staff to pursue additional sources of funds. Staff will look into the availability of funds from the Port's capital plan and will seek Commission's approval if necessary.

ACTION: Commissioner Lee moved approval; Commissioner Brandon seconded the motion. All of the Commissioners were in favor; Resolution No. 99-43 was adopted.

B. Authorization to apply for, accept and expend approximately $40,000 in Metropolitan Transportation Commission (MTC) Toll Bridge Monies for a Public Information Program, *"FASTFerry"* during construction of the Downtown Ferry Terminal. (Resolution No. 99-44)

Veronica Sanchez, Manager Governmental Affairs, indicated that this program is modeled under the successful public information program for the Mid-Embarcadero Roadway Project. It would also be instrumental in providing public information to the adjacent neighborhood during construction. With the commencement of the Downtown Ferry Terminal construction, not only will be commuters be impacted but the facility's visitors as well. Also incorporated into the program is an ambassador modeled after the pedestrian ambassador who assists people crossing the Embarcadero. This would address both safety and communications concerns. Port staff will work with MTC. The grant request is for $40,000 and it does not require a funding match. The budget of this project is $62,000; if additional funds are not available internally or from other sources, staff will adjust the budget accordingly.

ACTION: Commissioner Hardeman moved approval; Commissioner Lee seconded the motion. All of the Commissioners were in favor; Resolution No. 99-44 was adopted.

C. Authorization to Issue a Request for Proposals ("RFP") for the development and lease of Pier 45 Shed A at Taylor Street and The Embarcadero in Fisherman's

Wharf, and adoption of amendments to the Waterfront Land Use Plan related to Pier 45 Shed A. (Resolution No. 99-45)

Mr. Kirk Bennett, Manager Waterfront Development Projects, indicated that in January 1996, the Port formed the Pier 45 Advisory Group. Their role included input on the uses for Sheds A and C at Pier 45. After a three-and-a-half year process, the advisory group reached a consensus on all the elements of the RFP development concept for Shed A except the amount of retail space permitted. As expressed in the WLUP, Pier 45 Advisory group and other advisory groups in the past, the Fisherman's Wharf community and the Port have long desired a high quality, maritime-and-bay-oriented public attraction on Pier 45. Towards making this vision a reality, Port staff has formulated, with input from the advisory group, a development concept and parameters for an RFP for Pier 45 Shed A including goals, objectives and uses.

The primary goal of the Port for this development is the creation of public attraction uses in Shed A which have a quality educational/learning/interpretative focus, are strong enough to significantly enhance the image of Fisherman's Wharf, and support the long-term future of the fishing industry. These public attraction uses must meet the following audience goals:

- Draw new audiences and local visitors to Fisherman's Wharf;
- Be of a quality that attracts repeated visits;
- Generate an off-season (November-April) draw;
- Be family-oriented; and
- Be affordable.

The public attraction uses must incorporate San Francisco Bay-oriented and maritime-oriented themes. The public attraction uses should also incorporate as many as possible of the following themes:

- Ecosystem of San Francisco Bay/California
- Environment
- Heritage of San Francisco Bay
- Heritage of Fisherman's Wharf/Aquatic Park
- Environmental and historic preservation

Achievement of these goals will be the most important criteria in evaluating proposals in response to the RFP.

Mr. Bennett indicated that also enumerated in the staff report are the planning, financial and design objectives as well as the required uses and uses not permitted. The Advisory Group reached consensus regarding the objectives but there were many debates regarding the amount of retail space allowed. The majority supports restriction in the amount of retail space with a maximum of 10,000 sq. ft. Port staff does not support public attractions containing too much retail uses and certainly not a retail complex on Pier 45 Shed A. Staff believes that too much

retail will detract from the public attraction and the achievement of the goals. Retail uses have the potential to generate substantial revenues to support a public attraction. In the staff report, Port staff recommended a cap of 10,000 sq. ft. but that the feasibility analysis indicates that this cap would work for a not-for-profit developer and it may not be attractive to a for-profit developer. The restriction of only 10,000 sq. ft. could limit or preclude responses for-profit developers.

Mr. Bennett requested Commission's approval to adopt the amendments to the WLUP to bring the plan into total conformance with the development concept. He also requested Commission's approval to authorize Port staff to issue an RFP for a public attraction at Pier 45 Shed A which contains the recommended development concept and parameters. However, the Commission may want to consider a different level of limits on retail.

Nunzio Alioto, speaking on behalf of Tom Creedon, recognized members of the Pier 45 Advisory Committee and thanked them for their efforts. The committee was comprised of merchants, fish industry representatives, civic organizations and Port Staff. He thanked Kirk Bennett for his efforts in organizing schedules, minutes and being candid with them. Mr. Alioto indicated that the Pier 45 Advisory Group was established by the Commission to receive inputs from merchants and groups that would be directly impacted by a development concept. Their job is to make recommendations for uses that would be compatible with the fishing industry and the Fisherman's Wharf area. They believe that the development scenario being presented today for Shed A serves that purpose and it should avoid public controversy and attract residents back to Fisherman's Wharf. The recommendations will directly support and sustain commercial fishing at Pier 45 and Fisherman's Wharf. A public attraction use with the emphasis on public attraction use is paramount. Retail and restaurant uses should be only subordinate and ancillary to the primary public attraction use and requested the Port to share this dream. They all had the dream of seeking and seeing commercial fishing be put into Pier 45 some years ago. Currently, three quarters of Pier 45 is dedicated to commercial fishing. Port staff was instrumental and committed to commercial fishing at Pier 45 and they hope for a continued commitment.

Kevin Westlye, Franciscan Restaurant, encouraged the Commission to increase the percentage of retail square footage in the RFP proposal to allow the developers to be creative.

Mike Berline, member of the Committee, indicated that Sheds B and C were also their dream. The existing proposal is workable. Some committee members wanted more space; some don't. The RFP, in its current condition, has enough support to avoid a Fisherman's Wharf quagmire. The issue of more or less retail space could be addressed by a bidder knowing that they are not going to end up in a mess when they make the proposal.

Jeffrey Heller, member of the Malrite Team interested in the RFP, indicated that the Malrite proposal speaks to the goals of the RFP. Malrite's proposal will bring back San Franciscans to the Wharf and create a synergy and energy that the Port

and Fisherman's Wharf need. To bring this to reality, the issue of retail and commercial space should be relaxed as well as shortening the time frame for the RFP.

Richard Clark, Manager of the National Maritime Museum Association's Submarine Museum Pampanito located at Pier 45, thanked not only the members of the Pier 45 Advisory Group's support but also Port staff's recognition of Pampanito's 15 years of continuous presence at Pier 45. The RFP also recognized Pampanito's continued presence at Pier 45.

Milt Maltz, Malrite President, thanked the committee and Port staff for their efforts. Their proposal is an exciting opportunity to relay the history and the story of not just the assets of San Francisco but the people of the community and the contributions they have made over the decades. He hopes to be able to make a presentation for an opportunity to develop the site but understands there will be other proposers. He appreciated the advisory committee's work. The retail and restaurant space should not overwhelm the exhibition space as it is the critical attraction. He referenced a statement in the RFP wherein if you develop 50,000 sq. ft., 15,000 sq. ft. should be allocated to retail activity. If they develop the entire Shed A, it would be 72,000 sq. ft. He believes that for every foot of retail, there needs to be 2 sq. ft. of exhibition. They would like to be able to bring locals in the market place, develop the morning hours for children, work with the Board of Education and hire a full-time educational director. This can be a reality if they have financial support and are not asking the Port or the City for a dime. They have dedicated $40 million to this project and will have a workforce of approximately 200 employees but will figure out a way to make the payroll. The kind of retail they propose will not be the same as what it is at Fisherman's Wharf. To do a job in today's world of exciting, upscale retailing, they would like to have a little bit more room. The committee proposed 15,000 sq. ft. of retail and restaurant space; he suggested increasing it to 30,000 sq. ft. He proposed that the developers make their presentation so the Commission can decide who best meets the criteria.

Jennifer Clary, San Francisco Tomorrow and Pier 45 Advisory Group, explained the committee's discussions regarding retail and restaurant space. The committee considered the following: (1) a quality project with a strong educational element; (2) a non-profit developer who will require more time to respond to the RFP; and (3) ensure that the attraction was the driving component. The majority voted for the retail limit. They did not vote on the 30% rule in the RFP but she suggested the Commission should decide on a set percentage not a rolling percentage.

Commissioner Lee asked about the time frame for the RFP. Mr. Bennett replied that the schedule will allow for a five-month response period. Staff is proposing a single step RFP. Past RFPs have undergone a two-step process. With this type of proposal, the emphasis is on the goals to be achieved. It makes more sense to have a single 5-month step for all potential respondents to put together a package. Staff will assist the consultants in the evaluation of how the respondents achieve the goals and objectives, development concept, experience, financial capacity and financial

proposal. Staff felt that structure is more appropriate and the time frame is not different from other proposals.

Commissioner Brandon asked for clarification on Item 2 of the Planning Objectives and inquired if the museum portion has to be run by a non-profit. Mr. Bennett replied that one of the required uses is assembly and entertainment use which include a museum related to the themes indicated in the development goals which is operated by a non-profit. The size, however, was not dictated. If there weren't any non-profit respondents, Port staff would still expect some component of the museum run by non-profit. There is a minimum threshold of some museum but it is possible that the whole thing could be a museum run by a non-profit. It's the committee's guidance and input to ensure that even if the best total concept is a for-profit, they would like to allow some part of it (but not dictate the size) be run by non-profit. Only a portion of the total project will be run by non-profit.

Commissioner Brandon asked if the length of the RFP process is too long. Mr. Bennett replied that he does not think so since staff would like to ensure that the proposal would attract non-profit developers. Developers are in the business of jumping on top of RFPs while a non-profit needs more time. This schedule will allow time for non-profit to participate. The Port may not receive any response if the schedule is shortened.

Commissioner Brandon emphasized that the project should be self-sufficient. The restaurant and retail space would accent the museum or entertainment portion. Limiting the space for retail and restaurant might not be a good idea. Mr. Bennett replied that staff set a target of at least 70% on the whole shed as it would be a stronger attraction since the Port does not want to preclude anyone from responding to the RFP. Staff believes that the percentage devoted to restaurant and retail should be decreased, thereby arriving to 30%. Staff wanted to ensure that the percentage share of retail/restaurant does not get too large to replace the emphasis on the public attraction. Commissioner Brandon asked if that would be 30% of 50,000 or the total price. Mr. Bennett replied that it would be 30% of whatever the total project is and it was capped to ensure that the public attraction achieves the goals and brings new audience to the Fisherman's Wharf. The advisory board was concerned that the retail component would overtake the public attraction and would not achieve the goals.

Commissioner Brandon emphasized that the Port needs to have a public attraction that would be successful and self-sufficient and not rely on ticket sales. To accomplish this, a different entity or component is needed to ensure its success.

Commissioner McWilliams indicated that the advisory committee would be an integral part in providing recommendations to the proposals the Port receives. He indicated that he was comfortable with the time frame; however he was not comfortable with the restriction on the retail and restaurant space because it is abstract at this point. The most important thing is to develop maritime and expand the available resource for the fishing industry but realizes it is not going to happen. The Malrite proposal is interesting, which could attract citizens of the City and be

an important adjunct to what happens to the schools and not compete with the existing businesses at Fisherman's Wharf.

Commissioner McWilliams proposed an amendment to liberalize the restriction on retail space to allow maximum amount of proposals for the Commission to review and make recommendations.

Commissioner Hardeman seconded Commissioner McWilliams' amendment. Commissioner Hardeman put a cap on the food service of 5,000 sq. ft. so as not to compete with the other Port tenants.

Mr. Bennett indicated that a consensus was reached between Port staff and the advisory group to put a cap of 5,000 sq. ft. on retail and 5,000 sq. ft. on restaurant.

Mr. Paul Osmundson, Director of Planning & Development, indicated that the increased amount of retail square footage represents threefold: (1) it would encourage development and discourage non-profits. Port staff addressed this issue by extending the time period to five months and staff will commit to an exhaustive non-profit outreach effort; (2) the strict limitation on the type of retail that the Port would accept addresses the concern on having an overwhelming retail; (3) the lease would have to be carefully worded to protect against the creep of retail over time. He suggested that the advisory group be intimately involved in the review of the proposals.

Commissioner McCarthy indicated that she would vote against the amendment because the cap is so open ended. Pier 45 is a very special place in Fisherman's Wharf. Many years and struggles have gone in making it viable for the fishing industry and it was always anticipated that something very special would go into that shed. She knows that this is what's driving the RFP. The reason for capping the limit at 10,000 is the abundance of retail in that area. The competition would be more intense. In order for the Port to get something unique for that area is to put a cap on retail. A developer who wants to do something unique from what is currently at Fisherman's Wharf will make it work in some fashion. In her opinion, the Fisherman's Wharf area is crying out for something different that does not have the normal type of retail. Having watched the struggles with the Wharf over the years, she would not consider an open ended cap on the retail.

Commissioner McWilliams withdrew his amendment and offered another amendment that the combination for the restaurant and retail space be capped at 30%.

After further discussion, Legal Counsel Noreen Ambrose restated that the pending amendment is to put a cap of 21,000 sq. ft. of gross leasable area with food and beverage service not to exceed 5,000 sq. ft. and retail use not to exceed 16,000 sq. ft.

Commissioner McWilliams reiterated the amendment to allow up to 21,000 sq. ft. but not to exceed 30% of any project, with up to 5,000 sq. ft. of that being food service. Commissioner Lee seconded the amendment.

Commissioner Brandon thanked the Pier 45 Advisory Group for their time and effort on this project. She commented that the concept of having a non-profit corporation operate part of the project is a great idea.

Commissioner Lee proposed an amendment to shorten the RFP period to 3 months; Commissioner Hardeman seconded the motion. Three of the Commissioners cast dissenting votes. The motion was rejected.

ACTION: Commissioner Hardeman moved approval of amended resolution; Commissioner Lee seconded the motion. All of the Commissioners were in favor; Resolution No. 99-45 was adopted.

D. Approval of consultant contract for the Fisherman's Wharf Interpretive Signage Program for graphic design and program refinement. (Resolution No. 99-46)

Mr. Dan Hodapp, Project Coordinator, indicated that the Fisherman's Wharf Interpretive Signage Program explains the history and current workings of the fishing industry and provides geographical orientation to pedestrians. The program concept was also previously presented to and approved by the Port Commission in August 1997. On March 9, 1999, the Port Commission authorized staff to issue a Request for Proposals for a consultant team to perform final program refinement, graphic design and editing of the signage. Staff issued the RFP on April 2, sending 114 notices to various consultants and agencies of which 85 were sent to HRC certified firms or outreach agencies. Eleven design firms responded to the Port's RFP of which six firms received HRC preference. The review team evaluated all proposals and selected four firms for interviews, two of which were eligible for an HRC preference. The four firms interviewed were Keilani Tom Design Associates, Naganuma Design, Reineck & Reineck and the Sibbett Group. Based on the criteria stated in the RFP, the Sibbett Group scored the highest rating.

The Sibbett Group's superior rating reflects the broad expertise of its nine professionals with expertise in exhibit design, signage interpretation, research, education in exhibits, graphic design and art, photo image research and project management. They excelled by producing examples of work that were fun, easy to read and made the experience of Fisherman's Wharf enjoyable. The team has completed similar projects such as the Fisherman's Wharf Terminal interpretive signage program in Seattle and selected projects at the Bay Area Discovery Museum and the San Francisco Maritime National Historic Park. The Sibbett Group is a small San Francisco business enterprise but does not have HRC certification.

Port staff has negotiated a proposed contract scope with the Sibbett Group for a fee of $120,371. The contract scope will include background research, layout and design, photo research, writing and editing, mock-up of presentation materials, and

final design. When the consultant's work is complete, the Port will bid the fabrication of the sign panels and Port crews will construct and install the sign supports. Upon authorization from the Port Commission to execute this design contract, the consultant will begin work in July, and complete the layout and design by early fall. Staff will then return to the Commission with the proposed program prior to fabrication. Staff's goal is to complete program fabrication and installation by the early part of next year. The program is fully funded by a combination of $200,000 from the Port's 1995-96 Capital Plan and $80,000 in grant funds from the Coastal Conservancy.

ACTION: Commissioner Hardeman moved approval; Commissioner Brandon seconded the motion. All of the Commissioners were in favor; Resolution No. 99-46 was adopted.

E. Informational presentation of proposed PortWalk Design Standards for new open spaces along the waterfront.

Mr. Dan Hodapp, Project Coordinator, indicated that two years ago, the Port Commission adopted the Waterfront Land Use Plan (WLUP) and its accompanying Waterfront Design & Access Element. The Plan included policies for developing a network of waterfront open spaces and outlined where major new open spaces would be located along the waterfront. The graphic lists three open space policies: (1) to provide a continuous waterfront walkway; (2) to provide a sequence of open spaces and locate new ones; (3) provide a variety of open spaces. Mr. Hodapp indicated that the term PortWalk comes from the WLUP, it is the network of public walkways and open spaces that follow the edge of the Bay which includes the Embarcadero promenade, the marginal wharf areas along the promenade, the pier aprons and may also include other apron spaces along the piers. As new projects are developed along the waterfront, new plazas, perimeter pier access and other spaces will expand the PortWalk and staff is taking the first step by preparing Design Standards for new open spaces. Staff is attempting to define how the incredible network of open spaces fits together to create a memorable waterfront. The PortWalk Design Standards are a common body of knowledge used for designing and reviewing the public open spaces. They are intended to be criteria adopted by the Port Commission that will insure a minimum level of design consistency along the waterfront, while also allowing for creativity in design.

The Design Standards are intended to provide direction to project architects and developers in the early stages of a project. The Design Standards will also be used by the Waterfront Design Advisory Committee and staff in reviewing projects. Most public spaces along the Port's waterfront should be improved as a quiet background to the waterfront's spectacular natural and built features. Improvements should be simple and minimalist in form and character so that the natural beauty of the waterfront casts the strongest visual image. The Design Standards also include evaluation objectives for reviewing design variations to ensure these areas complement and enhance the overall character of the PortWalk. Structure of the Design Standards:

1. Required Design Standards for:
   - Color of bulkhead buildings;
   - Lighting of bulkhead buildings;
   - Paving in the most typical types of open spaces

2. Design Criteria for the design and selection of:
   - Benches
   - Railings and bullrail edges
   - Trash and recycling containers
   - Pier shed lighting on historic finger piers
   - Signage
   - Planting

3. Evaluation Objectives to assess all other improvements that may be placed within the PortWalk:
   - Functionality appropriate for their purpose;
   - Character that complements and enhances the waterfront setting;
   - Durability for performance, waterfront conditions and a high level of public use;
   - Maintainable within achievable maintenance requirements.

The Design Standards will be applied to all open spaces from Fisherman's Wharf to Pier 70 and provide a level of flexibility as improvements are incorporated.

Port staff developed the Design Standards in consultation with the Waterfront Design Advisory Committee. The Design Standards were also reviewed by the American Institute of Architects Urban Design Committee, featured at a San Francisco Planning and Urban Research luncheon, and will be reviewed again on July 20 by the Waterfront Design Advisory Committee and San Francisco Beautiful. Following these reviews and further refinement, staff will return to the Port Commission to request adoption of the Design Standards as a portion of the Waterfront Design & Access Element. Mr. Hodapp showed the Commission a number of design examples.

9. FINANCE & ADMINISTRATION

10. NEW BUSINESS / PUBLIC COMMENT

Corinne Woods, Bayview Boat Club, thanked Port staff particularly Dan Bell for attending a meeting last Saturday regarding rallying support for the Pier 52 Public Boat Launch project. Post cards will be sent to the Boating and Waterways Commission and to their interim director. As a result of Saturday's newspaper article, the Seakayakers Association offered their assistance with the project and the Bay Area Association of Pacific Sailors is also working with them on this project.

The meeting was adjourned at 7:22 p.m.